KANPUR PLASTIPACK LTD

Providing Solutions for Industrial Bulk Packaging

Simplifying Complexities.

Navigating Challenges.



Annual Report 2022-23

Building Resilience

Emerging stronger for a sustainable future





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In over five decades of our existence, we have demonstrated a spirit of resilience and an ability to grow. We are now focusing on creating a future fit, sustainable and technologically upgraded business model.

To be resilient is to take action and find solutions to the challenges one faces in life and work.

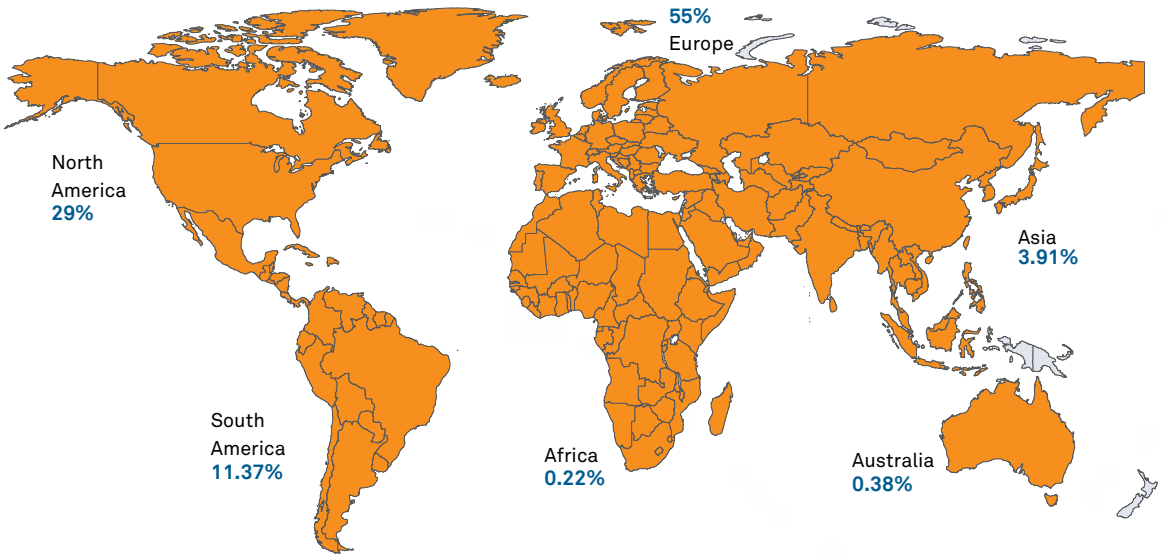
We are investing in building positive relationships within the organisation and helping the team manage factors that build resilience and sustainability.

To know more about us in digital mode, scan this QR code in your QR mobile application.

Delivering unmatched service to clients

With more than 50 years of industrial experience and world class certified state of art manufacturing faciilities, KPL has established itself as a global Brand to provide fully integrated end-to-end industrial bulk packaging solutions. We have evolved over the years into one of the world's leading manufacturers and exporters of Flexible Intermediate Bulk Containers (FIBCs), PP Woven Fabrics and Multi Filament Yarn (MFY).

Our expanding global footprint



Values that define us

- Deliver what is Promised
- Embrace Challenges
- Process Oriented
- Agility
- Committed

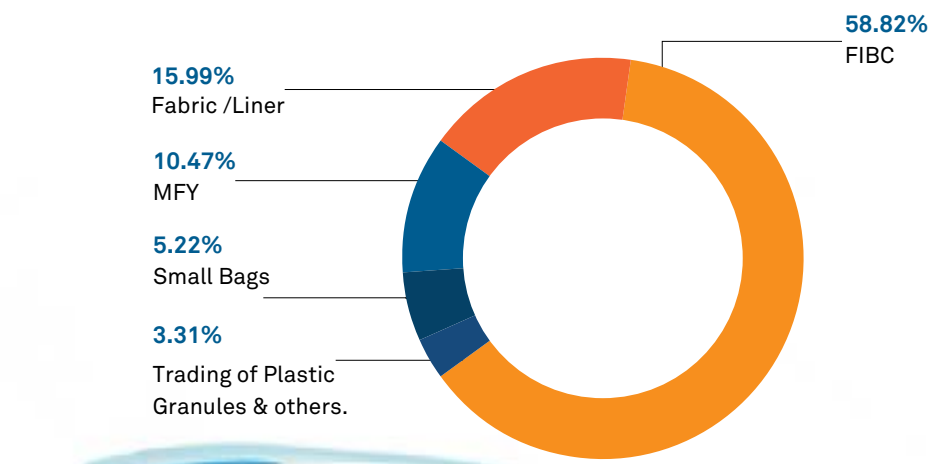
We are one of the very few companies having A+ grade in BRCGS for packaging materials.



Our diverse offerings

The new project of 'Cast Polypropylene (CPP)' film is all set to serve the needs of our customers and is expected to be commissioned in Q2 of FY 2023-24. This will further diversify the product offering of the Company and open new avenues for the Company.

We hope that the new vertical of flexible films will become the fulcrum of our diversification process and further growth in the coming years.



50+
Years of legacy

40+ Countries
Market presence

05
Manufacturing units

1,341
Employees

A+ Grade
BRCGS



Message from Chairman cum Managing Director



> We aim to broaden our customer base and expand our geographical presence, enabling us to reduce the risk associated with economic fluctuations in any one market.

Dear Stakeholders,

It is with pleasure that I present our annual report for the fiscal year 2022-23. The year under review has been a challenging one. As the Russia-Ukraine conflict raged on, it caused major disruptions in global supply chains. Inflation reached multi-decadal highs, which resulted in low consumer spending and high commodity prices. The economic slowdown in Europe, where our major business is based, also made the year a difficult one for us.

Resilience in the face of obstacles

Despite these impediments, I am glad to say that we have shown amazing resilience and persistence in navigating these difficult times. Our ability to adapt swiftly to shifting market conditions and make prudent decisions was critical in sustaining our operations. As our revenue showed a decline of about 24%, we implemented several cost cutting measures to try and keep operations viable. Significantly in volume terms our main product FIBC recorded a slight growth.

Future strategies

While the difficulties we faced during the year were significant, they also presented opportunities for introspection and growth. We are focused on exploring new markets to reduce our dependence on any single region. We aim to broaden our customer base and expand our geographical presence, enabling us to reduce the risk associated with economic fluctuations in any one market.

Towards the goal of nurturing partnerships we participated in the world's largest trade fair Interpack 23 at Dusseldorf, Germany and Plastindia 23 at New Delhi. Riding on the success of these initiatives, we will participate in more such events in the future which will help the Company in improving customer engagement.

Road ahead

As we look ahead, we realise that the path to recovery will be arduous, but we remain steadfast in our commitment to emerge resilient. We remain cautiously optimistic about the future, confident in our capacity to adapt, develop, and embrace new possibilities when consumer global spending returns to normal and inflation stabilises.

Lastly, I would like to express my heartfelt appreciation to all our stakeholders for their unwavering support and belief in our vision. I extend my gratitude to our employees for their hard work, dedication and commitment to the Company's success.

Regards,

Manoj Agarwal
Chairman cum Managing Director

Q&A with Dy. Managing Director



Q

A tough year marked with a subdued performance. Could you please elaborate on the reasons for this?

A

Yes. The fiscal year 2022-23 was especially a challenging year for us. As majority of our revenue comes from countries other than India, our business was affected by the global slowdown and adverse market conditions caused by global supply chain inefficiencies and high commodity prices.

Significantly, we performed better than our peer group in the Industry in FIBC's where we managed to produce and sell almost the same quantity against a 15-20% degrowth registered by other Indian Companies.

Q

How do you see the market conditions improving in the future?

A

Central banks across the globe have been successful to some degree in bringing the inflation under control. As the commodity prices gradually return to their normal levels, we will see an uptick in consumer spending and an improvement in the demand for our products. Businesses will develop strategies to combat the adverse market conditions and streamline their supply chains to combat these challenges enabling them to remain competitive in the global market.

Q

How do you plan to bounce back from such a challenging year?

A

To avoid demand fluctuations in one market, we have identified several alternative markets and will continue to explore them further. As we keep building on the success of our highest selling products, we will add new products to our portfolio and expand our market share. Additionally, we will continue to focus on improving our operational efficiency by the use of innovative technology, building on our digital capabilities, developing long-term relationships with our stakeholders and maintaining the high quality of our products.

Q

Can you summarise your strategy for sustainability?

A

It has been our constant endeavour to achieve growth in a sustainable manner. By incorporating sustainable materials and technologies into our products, we aim to contribute to a circular economy.

Our efforts towards the use of green energy is a major step in that direction where more than 50% of our energy needs come from solar power. We hope to progressively keep increasing this in the years to come.

Moreover, we actively engage with our stakeholders to raise awareness about the importance of sustainability and encourage them to adopt environmentally responsible practices. Through our sustainable growth, we will keep adding value for our internal and external stakeholders and giving back to the community.

Shashank Agarwal
Deputy Managing Director

Social responsibility

Corporate Social Responsibility (CSR) has always been an integral part of Kanpur Plastipack ethos and continues to be a driving force behind our operations. As a corporate citizen we are committed to the welfare of society.

Our focus areas

Healthcare | Education and Skill Development | Community development

Our focus area includes activities relating to promoting Healthcare, education, skill development, conservation of natural resources, women empowerment etc.

Glimpse of the major activities undertaken by the Company under its Corporate Social Responsibility Activities during 2022-23:

- Medical clinic at Nauraiya Khera village located adjoining our factory to provide free medical facilities to the villagers of nearby locations.
- Health Checkup Camps for villagers of the nearby locations of the factory.

9,679
Patients treated in medical clinics

925
Patients attended in medical camps



- Adopted UPSIDC park for its beautification.
- Education to the financially backward students.
- Training to the differently abled children through Jyoti Bal Vikas Sanstha.
- Setup of online education Café at Kshetriya Inter College, Kanpur Dehat for rural students.

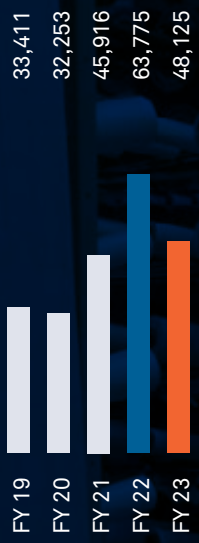


- Distributed e-Rickshaws to underprivileged women.

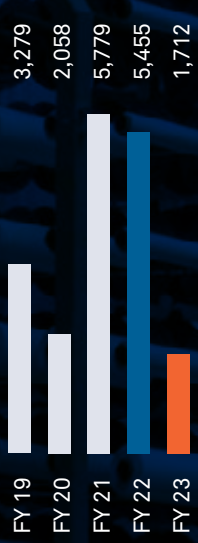


Our performance scorecard

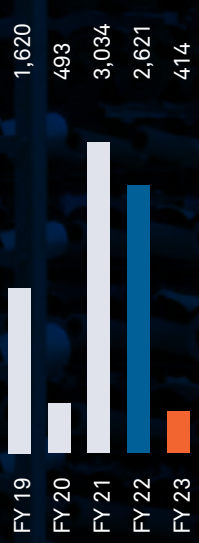
Revenue
(₹ in Lakhs)



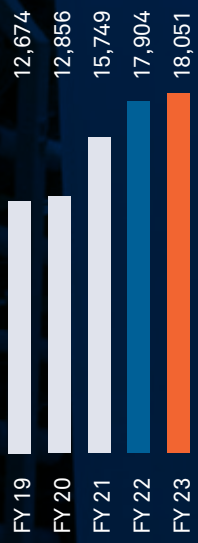
EBITDA
(₹ in Lakhs)



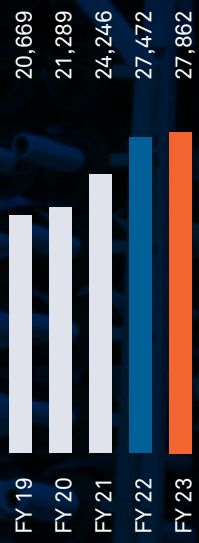
Profit after tax
(₹ in Lakhs)



Net worth
(₹ in Lakhs)



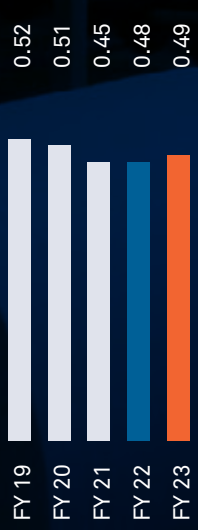
Gross block
(₹ in Lakhs)



Earnings per share
(₹)



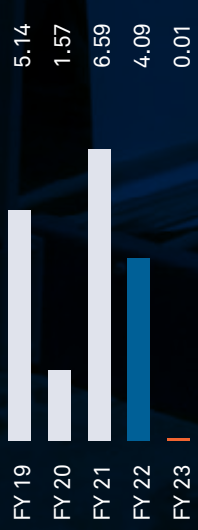
Debt-equity
(times)



EBITDA margin
(%)



PAT margin
(%)



Corporate Information

BOARD OF DIRECTORS

Chairman Cum Managing Director
MANOJ AGARWAL

Whole Time Directors
SUNIL MEHTA
SHASHANK AGARWAL

Non Executive Director
USHA AGARWAL

Independent Directors
PREM SINGH KHAMESRA
SUBODH KUMAR
AKSHAY KUMAR GUPTA
DHARAM BIR PRASAD

Company Secretary & Compliance Officer
ANKUR SRIVASTAVA

CFO
VISHAL JAIN

Statutory Auditors
RAJIV MEHROTRA & ASSOCIATES
Chartered Accountants
Kanpur

Secretarial Auditors
ADESH TANDON & ASSOCIATES
Company Secretaries
Kanpur

Bankers
STATE BANK OF INDIA
HDFC BANK
AXIS BANK

Registrar and Share Transfer Agent
SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
D-153/A, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE -I,
NEW DELHI-110 020

Registered Office
D-19-20, PANKI INDUSTRIAL AREA, KANPUR-208 022

Manufacturing Units
1. D-19-20, PANKI INDUSTRIAL AREA, KANPUR-208 022
2. A-1/A-2, UDYOG KUNJ, SITE V, KANPUR-208 022
3. GAJNER ROAD, VILLAGE SHYAMPUR
   FATTEHPUR ROSHNAI, DIST. AKBARPUR,
   KANPUR DEHAT- 209121
4. D-6, PANKI INDUSTRIAL AREA, KANPUR-208022
5. CPP UNIT- GAJNER ROAD, VILLAGE SHYAMPUR
   FATEHPUR ROSHNAI, DIST. AKBARPUR,
   KANPUR DEHAT- 209121

Corporate Identity Number
L25209UP1971PLC003444

Scrip Code
NSE: KANPRPRLA
BSE: 507779

Website
WWW.KANPLAS.COM

Notice

NOTICE is hereby given that 52nd ANNUAL GENERAL MEETING (AGM) of the Members of M/S KANPUR PLASTIPACK LIMITED will be held on Thursday, the 14th day of September, 2023 at 12:00 Noon through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at D-19-20, Panki Industrial Area, Kanpur-208022 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Reports of Auditors and Directors thereon;

Item No. 2 – Declaration of Dividend

To consider declaration of Final Dividend for the financial year 2022-23;

Item No. 3 – Appointment of Smt. Usha Agarwal as Director who retires by rotation

To appoint a Director in place of Smt. Usha Agarwal (DIN: 00997099), who retires by rotation and being eligible, offers herself for re-appointment;

SPECIAL BUSINESS:

Item no. 4 – Re-appointment of Shri Manoj Agarwal as Chairman cum Managing Director

To consider and if thought fit to pass with or without modification(s) the following resolution a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Manoj Agarwal be and is hereby reappointed as Chairman cum Managing Director for a period of 3 years w.e.f. 1st September, 2023 to 31st August, 2026 on the following terms and conditions as recommended by the Nomination and Remuneration Committee:-

I.	Remuneration	:	₹ 6,00,000/- – ₹ 50,000/- – ₹ 7,00,000/- per month
II.	Commission	:	2% of Net Profits of the Company payable annually
III.	Perquisites	:	Perquisites shall be allowed in addition to salary as under. However, these shall be restricted to an amount equal to the annual salary, subject to an overall ceiling as mentioned hereinafter:-

i) House Rent Allowance shall be 20% of Salary.

ii) The Company shall also provide such furniture and furnishing as may be required by the Chairman Cum Managing Director. Further, the expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.

iii) Reimbursement of actual medical expenses incurred for self and family in India and / or abroad including hospitalization, subject to a ceiling of one month's salary in a year or three months' salary over a period of 3 years.

iv) Leave Travel Concession for self and family once in a year to any place in India or abroad subject to ceiling of one month's salary.

v) Fees of club subject to maximum of two clubs. No admission and life membership fee will be paid.

vi) Personal Accident Insurance of an amount, the annual premium of which shall not exceed ₹ 30,000/-.

vii) Gratuity as per the rules of the Company but shall not exceed half month's salary for each completed year of service.

viii) Encashment of leave at the end of tenure of service will not be included in the computation of the ceiling on perquisites.

ix) He will not be entitled to any sitting fees for attending the meeting of the Board of Directors or Committees thereof.

x) He will be entitled to free use of Company's Car with driver for official as well as for personal purpose.

xi) The Company shall provide him mobile phone and telephone and other communication facilities at residence and these further will not be considered as perquisites.

"RESOLVED FURTHER THAT in the event of overall managerial remuneration exceeding 11% of the Net Profit in any financial year, the commission payable to all Whole Time Directors shall be reduced proportionately in order to remain within the limits as prescribed under Companies Act, 2013."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year the remuneration payable to Shri Manoj Agarwal by way of salary, allowances, perquisites and commission shall not exceed the maximum limits as prescribed under proviso to Table A of section II (Part II) of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT Shri Shashank Agarwal, Deputy Managing Director (DIN: 02790029) and Shri Ankur Srivastava, Company Secretary of the Company (Membership no. F8537) be and are hereby jointly and / or severally authorised to sign, seal, execute and deliver all necessary intimation and file necessary forms to the Registrar of Companies and to do all such acts, deeds and things as may deemed necessary, expedient and desirable to give effect to the above resolution."

Item no. 5 – Appointment of Shri Rajesh Chawla as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 together with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 Shri Rajesh Chawla (DIN: 10195144) who was appointed as Additional Director w.e.f. 04.08.2023, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years upto 03.08.2028, not liable to retire by rotation."

"RESOLVED FURTHER THAT Shri Manoj Agarwal, (DIN: 00474146) Chairman Cum Managing Director and Shri Ankur Srivastava, (F8537) Company Secretary of the Company be and are hereby jointly and / or severally authorised to do all such acts, deeds and things as may deemed necessary, desirable and expedient to give effect to the above resolution."

Item no. 6 - Ratification of the remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of the Audit Committee and approval of the Board of Directors, the remuneration of ₹ 85,000/- payable to M/s Rakesh Misra & Company, Cost Auditors appointed by the Board of Directors of the Company as the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year 2023-24 be and is hereby ratified."

By Order of the Board of Directors
For **KANPUR PLASTIPACK LTD.**

Place : Kanpur
Date : 4th August, 2023

ANKUR SRIVASTAVA
COMPANY SECRETARY

NOTES :

1. Pursuant to the General Circular No. 10/2022 dated 28th December, 2022, issued by Ministry of Corporate Affairs ("MCA") read with previous circulars issued by the MCA in this regard (collectively to be referred to as "MCA circulars") and Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023 issued by Securities and Exchange Board of India ("SEBI") read with other circulars issued by SEBI in this regard (collectively to be referred to as "SEBI Circulars"), Companies are allowed to hold Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of members at a common venue. Hence, in compliance with the said circulars and provisions of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the registered office of the Company.

2. As physical presence of members is dispensed with, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, proxy form and attendance slip are not annexed herewith. However, the Body Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. Institutional / Corporate Shareholders (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 to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to adesh.tandon11@gmail.com with a copy marked to evoting@nsdl.co.in.

4. In compliance with the above Circulars of MCA and SEBI, the Annual Report 2022-23, the Notice of the 52nd AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

5. Members may also note that the Notice of the 52nd AGM and the Annual Report 2022-23 will also be available on the Company's website, www.kanplas.com and website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

6. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the Annual General Meeting is annexed herewith.

7. The Register of Members and Share Transfer Books of the Company shall remain closed from 9th September, 2023 to 14th September, 2023 (both days inclusive). The entitlement to dividend on shares, if declared, will be determined on the basis of names registered in the Register of Members of the Company after giving effect to the valid share transfers / transmission / transposition in physical form lodged with the Company on or before 8th September, 2023 and the beneficial owners as per the Beneficiary List at the close of the business hours on 8th September 2023 as provided by NSDL and CDSL.

8. The payment of Dividend shall be subject to deduction of Tax at Source as per applicable Income Tax Act and Rules.

9. Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) and Bank details by every shareholder, accordingly, shareholders are requested to please update PAN and Bank details to their Depository Participant in case of Demat holding. Members holding shares in physical form may submit the PAN and Bank details to the Company or the Registrar.

10. The members are hereby informed that the Company has transferred the amount of unpaid dividend for the year 2014-15, which remained unpaid over a period of 7 years, to the Investor Education and Protection Fund (IEPF) constituted under Section 125 of the Companies Act, 2013. The details of unpaid dividend are as follows :-

S. NO.	Dividend Year	Unpaid Balance as on 31/03/2023 (In ₹)
1.	2015-16	3,47,301.00
2.	2016-17	14,78,108.40
3.	2017-18	5,19,419.70
4.	2018-19	5,13,055.80
5.	2019-20	1,69,892.20
6.	2020-21	4,22,196.40
7.	2021-22(Interim)	3,66,699.00
8.	2021-22	4,02,927.00

Investors are advised to send all un-encashed dividend warrants pertaining to the years shown above to the Company for revalidation along with necessary supporting documents as mandated from time to time. It is further informed that unclaimed/ unpaid dividend pertaining to the Financial Year 2015-16 will become due for transfer to Investor Education and Protection Fund (IEPF) on 22/10/2023.

11. Pursuant to the provisions of Section 124(6) read with Investor Education and Protection Fund Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), 'Equity Shares', on which Dividends have not been claimed for a continuous period of 7 years, will be transferred to Investor Education and Protection Fund (IEPF) Suspense Account constituted under Section 125 of the Companies Act, 2013. It is pertinent to mention that no claim shall lie against the Company, though Shareholders have the right to claim the underlying shares from IEPF Suspense Account in the manner prescribed in the IEPF Rules.

12. Notices have been served to the individual shareholders whose shares are liable to be transferred to IEPF Suspense Account. The underlying shares will be due to be transferred to the IEPF Suspense Account in October, 2023. Therefore, shareholders are requested to please claim their unpaid dividends for earlier years at the earliest.

13. Members who have multiple folios with identical order of names are requested to intimate to the Company those folios to enable the Company to consolidate all shareholdings into one folio.

14. Members having any query(ies) relating to this Annual Report are requested to send their questions to Registered Office of the Company at least 7 days before the date scheduled for Annual General Meeting.

15. SEBI has amended Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated 8th June, 2018 and mandated that transfer of securities would be carried out in dematerialized form only except in case of transmission / transposition of securities.

16. In case of physical transmission of shares, copy of PAN Card of the transferee is mandatory.

17. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

18. Investors holding shares in physical form are advised to opt for Electronic Clearing System (ECS) to avail fast and safe remittance of dividend. A photocopy of a leaf of your Cheque book bearing your Account Number may also be sent along with mandate.

19. SEBI has prescribed Common and Simplified Norms for mandatory furnishing of PAN, KYC and Bank details, Nomination etc. from all the shareholders, holding shares in physical form. Therefore, shareholders holding shares in physical form are requested to complete your KYC, in case you have not yet updated your details, accordingly.

20. Electronic copy of the Annual Report is being sent to all Members whose email ID is registered with the Company / Depository Participants (DP) for communication purposes. Members who have not got their email id registered with the Company are requested to inform your email id to the Company or its RTA with details of folio number and attaching a self-attested copy of PAN card at secretary@kanplas.com or to grievances@skylinerta.com in case of physical holding and in case of demat holding update your email id with the depository participant. Investors may also download the Annual Report of the Company from the website of the Company or website of Stock Exchanges.

21. Members are also requested to notify any changes in their email ID or Bank Mandates or address to the Company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the Company. In respect of holding in electronic form, Members are requested to notify any change of email ID or Bank mandates or address to their Depository Participants.

22. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.

23. All material documents are open for inspection by the members on all working days at the Registered Office of the Company till the conclusion of the Annual General Meeting.

24. The relevant details pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director(s) seeking appointment / re-appointment at this AGM are provided in the Corporate Governance Report forming part of the Annual Report and Explanatory Statements of the notice as the case may be.

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

DIVIDEND RELATED INFORMATION

26. Subject to approval of the Members at the AGM, the dividend will be paid to the Members whose names appear on the Company's Register of Members as on the Record Date, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

27. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account.

28. Shareholders are requested to register / update their complete bank details: (a) with their Depository Participant(s) with whom they maintain their demat accounts, if shares are held in dematerialised mode by submitting the requisite documents, and (b) with the Company by emailing at secretary@kanplas.com or grievances@skylinerta.com, if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf. In case shares are held in dematerialised mode, details in a form prescribed by your Depository Participant may also be required to be furnished.

29. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. However, no tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 5,000/-. The TDS rate would vary depending on the residential status of the Shareholder and documents registered with the Comapny. To enable us to determine the appropriate TDS rate, as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

A RESIDENT SHAREHOLDERS:

A.1 Tax Deductible at Source for Resident Shareholders

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1	Valid PAN updated in the Company's Register of Members	10%	No document required (if no exemption is sought)
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

A.2 No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in the below table with the Company / RTA

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence that the said provisions are not applicable.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5	Recognised provident funds / Approved superannuation fund / Approved gratuity fund	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961

B NON-RESIDENT SHAREHOLDERS:

Withholding tax on dividend payment to non-resident shareholders', if the non-resident shareholders submit and register following document as mentioned in the below table with the Company / RTA

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FPI registration number / certificate.
2	Other Non-resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required:
			1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received
			2. PAN
			3. Form 10F filled & duly signed
			4. Self-declaration for non-existence of permanent establishment/ fixed base in India
			(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company)
3	Indian Branch of a Foreign Bank	Nil	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority.
			Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

30. Shareholders are requested to please provide the abovementioned documents upto 8th September, 2023 in this regard. No communication would be accepted from members after 8th September, 2023 regarding the tax withholding matters.

31. In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.

EVOTING AND VIDEO CONFERENCING:

32. The Members can join the AGM through 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 for 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.

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

34. 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), 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

35. The facility for voting through electronic voting system shall also be made available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right at the meeting.

36. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

37. The voting results shall be declared within two working days from the conclusion of the 52nd AGM and the resolutions will be deemed to be passed on the date of the Meeting subject to receipt of the requisite number of votes in favour of the resolutions.

38. The results declared along with the Scrutinizer's Report(s) will be displayed at the Registered Office of the Company and communicated to the Stock Exchanges where the equity shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited, in accordance with the provisions of the Act. The results shall also be placed on the website i.e. www.kanplas.com.

39. The recorded transcript of the forthcoming AGM, shall also be made available on the website of the Company www.kanplas.com in the Shareholders Communication section, as soon as possible after the Meeting is over.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 11th September, 2023 at 9:00 AM and ends on 13th September, 2023 at 5:00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method	
Individual Shareholders holding securities in demat mode with NSDL.	1.	Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added 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 i.e. NSDLand you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2.	If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method	
	3.	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4.	Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1.	Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2.	After successful login of Easi/Easiest the user will also be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3.	If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4.	Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants		You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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 websites.

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID
	For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company
	For example if folio number is 001*** and EVEN is 123456 then user ID is 123456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to adesh.tandon11@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 secretary@kanplas.com or grievances@skylinerta.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretary@kanplas.com or grievances@skylinerta.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be 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 in the AGM.

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

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

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

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretary@kanplas.com 2 days prior to the date of AGM i.e. till 6th September, 2023.

6. Shareholders who would like to express their views/ask questions during the meeting, need to send their questions in advance along with above details at secretary@kanplas.com. The same will be replied by the company suitably.

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

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

ITEM NO. 4:-

The Board of Directors of your Company, at their meeting held on 4th August, 2023 have, pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to the approval of shareholders, re-appointed Shri Manoj Agarwal as Chairman Cum Managing Director for a further period of 3 years w.e.f. 1st September, 2023 at the remuneration as recommended by the Nomination and Remuneration Committee of the Board.

The approval of shareholders is required for the re-appointment of Shri Manoj Agarwal as Chairman Cum Managing Director in terms of the applicable provisions of the Act. Broad particulars of the terms of re-appointment and remuneration payable to Shri Manoj Agarwal are recommended by the Nomination and Remuneration Committee and mentioned in resolution no. 4.

Shri Manoj Agarwal holds 2139784 equity shares of the Company. He holds directorships in following Companies:

Other Companies Directorship:

1. KPL Packaging Pvt. Ltd.
2. MSA Investment & Trading Co. Pvt. Ltd.
3. KSM Exports Ltd.
4. Valex Ventures Limited (UK)

Shri Manoj Agarwal satisfies all the conditions as set out in Part-II of Schedule V and Section 196(3) of the Companies Act, 2013 for being eligible for re-appointment. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Manoj Agarwal under Section 190 of the Act.

Shri Manoj Agarwal, age 68, is a Management Graduate. He has been guiding the Company's operations for over 40 years. Under his able leadership, the Company's operations have improved considerably. With his efforts there has been tremendous growth of the value added export products which is the back bone of the Company's operations.

Memberships / Chairmanships of Board Committees, shareholding and relationships amongst Directors' inter-se as stipulated under Regulation 34 of Listing Regulations, are provided in the Corporate Governance Report forming part of the Annual Report.

Smt Usha Agarwal and Shri Shashank Agarwal being relatives of Shri Manoj Agarwal may be deemed to be interested in the resolution set out at item No. 4. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your Directors recommend passing of above resolutions as Special Resolution.

ITEM NO. 5:-

In view to further strengthen the Board of Directors, pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013, on the recommendation of Nomination and Remuneration Committee, your Directors have appointed Shri Rajesh Chawla (DIN: 10195144), as an Additional Director of the Company

w.e.f. 04.08.2023. Your Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Shri Rajesh Chawla for the office of Director of the Company. Shri Rajesh Chawla is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. It is proposed, as recommended by Nomination and Remuneration Committee of the Board, to appoint Shri Rajesh Chawla as an Independent Director of the Company to hold office for a consecutive period of 5 years till 03rd August, 2028, not liable to retire by rotation.

The Company has received a declaration from Shri Rajesh Chawla that he is not debarred to be appointed as Director from any of the regulatory authority and he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. He possesses appropriate skills, experience and knowledge and in the opinion of the Board, he fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations.

Shri Rajesh Chawla, age 69, is a Bachelor of Mechanical Engineering (Honours) from Birla Institute of Technology and Sciences, Pilani. He brings with him over 45 years of diversified experience in the operations and manufacturing verticals of various prestigious organizations. He was till recently Director Manufacturing at Lohia Corp Limited, Kanpur and earlier as Director Operations at Ingersoll Rand Technologies and Services Pvt Ltd.

Shri Rajesh Chawla does not hold any shares of the Company.

Other Companies Directorship:

Nil

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director. Copy of the draft letter of appointment of Shri Rajesh Chawla as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Your Directors recommend passing of the above resolution as a Special Resolution

ITEM NO. 6:-

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Board, on the recommendation of the Audit Committee, in its Meeting held on 26th May, 2023 have appointed M/s. Rakesh Misra & Co, Cost Accountants, (Firm Registration No. 000249), as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2023-24 at a fee of ₹85,000 subject to TDS and GST etc., as applicable, apart from out of pocket expenses, as remuneration for cost audit services for the Financial Year 2023-24. As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2024.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Your Directors recommend passing of above resolutions as an Ordinary Resolution.

By Order of the Board of Directors
For **KANPUR PLASTIPACK LTD.**

Place: Kanpur
Date : 4th August, 2023

ANKUR SRIVASTAVA
COMPANY SECRETARY

OTHER GENERAL INFORMATION:

i) The Company is mainly engaged in manufacturing and export of FIBCs (Flexible Intermediate Bulk Container) commonly known as Jumbo Bags, Woven Sacks, PP Fabrics and PP High Tenacity Multifilament Yarn (MFY). The turnover of the Company and its financial performance during last 3 years have been as under :

(₹ In Lacs)

Year	Sales & Other Income	Exports	Profit Before Tax	Net Profit after Tax
2022-23	48,125	34,657	265	414
2021-22	63,775	44,535	3,708	2,621
2020-21	45,916	34,602	4,413	3,021

ii) The figures of previous year have been re-grouped / re-casted wherever found necessary.

iii) There is no foreign investment or collaborators.

iv) Smt. Usha Agarwal and Shri Shashank Agarwal being relatives of Shri Manoj Agarwal may be considered as interested. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise with any other Director.

v) Shri Manoj Agarwal does not have any pecuniary relationship with the Company except as employee and / or shareholder.

vi) The background and other details of Shri Manoj Agarwal are provided in the Explanatory Statement of the Notice.

vii) The past remuneration of the appointee Director is given hereunder:

Sl No.	Name of Director	Past Remuneration per month
1	Shri Manoj Agarwal	₹5,60,000/-

viii) In the industry, it is a normal trend of providing remuneration to the Chief Executives about ₹1 Crores to ₹1.5 Crores plus other perks and commission linked with the profits of the Company. With the exemplary efforts of Shri Manoj Agarwal the performance of your Company has remarkably improved. The proposed remuneration of Shri Manoj Agarwal, does not exceed the industry norm.

ix) The performance of the Company is steady having a track of sound profitability which is expected to increase in future. Although the profitability for the year 2022-23 was affected due to some unavoidable reasons, the years to come are expected to deliver better performance. The phrase "inadequate profits" is only indicative that whenever the salary payable to the managerial personnel exceeds the limits provided by section 197 of the Companies Act, 2013, the provisions of section II of part II of Schedule V of the said act become applicable.

By Order of the Board of Directors
For **KANPUR PLASTIPACK LTD.**

Place: Kanpur
Date : 4th August, 2023

ANKUR SRIVASTAVA
COMPANY SECRETARY

Board's Report

DEAR MEMBERS,

Your Directors take pleasure in presenting the 52nd Annual Report of Kanpur Plastipack Limited together with Standalone and Consolidated Audited Financial Statements for the financial year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Sale of products	47,685.43	62,507.34	47,659.11	62,507.34
Other Income	439.13	1,267.39	448.79	1,267.59
Total Income	**48,124.56**	**63,774.73**	**48,107.90**	**63,774.93**
Profit Before Tax	265.24	3,708.07	214.78	3,706.71
Less: Current Tax	40.58	681.06	40.58	681.06
Less: Earlier year Tax Adjustment	16.31	4.14	16.31	4.14
Less: Deferred Tax	(205.52)	401.66	(205.52)	401.66
Net Profit After Tax	**413.87**	**2,621.21**	**363.41**	**2,619.85**
Balance Profit from Last Years	14,640.74	12,485.81	14,636.41	1248,2.84
Less: Appropriations:				
Other Comprehensive Incomes	9.59	65.53	2.64	65.53
Transfer to General Reserve	-	-	-	-
Dividend paid during the year	257.60	400.75	257.60	400.75
Tax on Dividend	-	-	-	-
Balance carried to Balance Sheet	14,787.42	14,640.74	14,739.58	14,636.41

REVIEW OF OPERATIONS AND OUTLOOK:

The year 2022-23 was possibly the most challenging year in the last two decades for your Company. The performance of the Company was impacted and the margins were significantly affected during the year 2022-23, due to the following reasons:

- High volatility in raw material prices.
- Lower capacity utilization due to significantly lower sales in the fabric division by almost 50%.
- Highly competitive market environment because of increased domestic production in India, leading to lower realization.
- Recessionary trends in the EU market which imported almost 20-22% lesser in FY 23 as compared to FY 22.

The entire FIBC industry in India was severely impacted and depicted de-growth. However, your Company was able to record a marginal increase in volumes for FIBC's although with lower margins.

Your Company is committed in catering to the aspirations of its valued customers and other stakeholders. During the year, the Company engaged in a series of cost cutting measures while continuing to focus on creating the right team, enhance customer experience through technology and making complex things simpler.

The Company's new project of flexible films i.e. Cast Polypropylene Film (CPP) is well underway and expected to be commissioned by the end of the second quarter in the current financial year. All major equipments have arrived and are under commissioning. This will further diversify the product range of the Company as CPP will cater to an entirely different market segment primarily in the domestic market.

Solar Power:

Steps taken towards sustainability enabled the Company to consume approximately 53% of its power needs through Solar Power during the year, which has resulted not only into cost savings but also helped in reducing the carbon emission in the environment.

A total of 1,58,62,000 units of power were used during the year from various renewable energy sources reducing the emission of carbon in the environment by about 11.100MT.

Trading Activities:

The performance of Dealer Operated Polymer Warehouse activity of Indian Oil Corporation Limited were also affected during the year under review. We sold 22,302 MT in the current year as against 25,954 MT in the previous year.

OUTLOOK:

Your Company's commitment to customer satisfaction backed by a legacy of five decades has helped in retaining its loyal customers. We are confident of carrying this further and look forward to a better year ahead. The India growth story is on track and no doubt your Company will be an active part of that story.

The challenges being faced due to global uncertainties are being met by improved and proactive customer engagement. The Company participated at the World's largest packaging goods fair- Interpack'23 at Dusseldorf, Germany in May'23 which was held after a gap of six years. The positive response and impact created will surely help your Company to expand its customer base and expand its global footprint.

We continue our strategic policy of creating a more efficient, future fit and sustainable manufacturing process. Having a world class state of the art manufacturing facility helps the Company to leverage on technological upgradation, innovation and process improvement. Your Company continues to lay emphasis on exports of value added products and expanding the geographical reach of the export market.

The commissioning of the CPP line during the year will help in improving the performance of the Company and provide a window for growth in the future on the one hand and reduce our dependency on exports on the other.

CPP Line is planned to be commissioned in September, 2023 and will aid the performance of the Company.

CREDIT RATING:

We have Credit Rating from Acuite Rating & Research Limited which has provided following credit ratings to the various credit facilities of the Company:

Long Term Rating	'ACUITE BBB+/Stable'
Short Term Rating	'ACUITE A2'

SHARE CAPITAL:

As on 31.03.2023 your Company has total shares capital of ₹21,46,67,580.00 divided into 2,14,66,758 equity shares of ₹10/- each. Which is listed with both stock exchanges viz. BSE Limited and National Stock Exchange.

SUBSIDIARY COMPANIES

The Company has three subsidiary Companies as on 31st March, 2023. During the year, there has been no material change in the nature of the business of the subsidiaries. As required under Section 129(3) of the Act, the report on the performance and financial position of each subsidiary company and salient features of their Financial Statements are attached in the prescribed form AOC-1 with the financial statements which forms part of this Annual Report.

In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the SEBI Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website at www.kanplas.com.

There is no Company which became or ceased to be subsidiary, joint venture and associate during the year under review. There is no material subsidiary Company in terms of regulation nos. 16(1)(c) and 24 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

Your Company funds its subsidiaries, from time to time, in the ordinary course of business and as per the funding requirements, through capital, loan and/or other means to meet working capital requirements.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The 'Listing Regulations') and Section 129(3) of the Act, the consolidated financial statements have been prepared by the Company, as per the Indian Accounting Standards (Ind AS), and form part of this Annual Report. The Consolidated Financial Statements shall also be laid at the ensuing Annual General Meeting of the Company.

DIVIDEND:

The Dividend Distribution Policy of the Company has been duly uploaded on the website of the Company at www.kanplas.com.

In view of affected profitability, your Directors have recommended a reduced rate of final dividend for the year 2022-23 @ 5% i.e. ₹0.50 per Equity Share for the financial year 2022-23. Payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting.

DIRECTORS:

Your Directors have re-appointed Shri Manoj Agarwal as Chairman Cum Managing Director for a further period of three years w.e.f. 01st September, 2023 on fresh terms of appointment as recommended by the Nomination and Remuneration Committee, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Smt. Usha Agarwal is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. In view of the valuable services, guidance and support received from her, your Directors recommend her re-appointment.

On the recommendation of Nomination and Remuneration Committee, Shri Rajesh Chawla was appointed as the Additional Independent Director by the Board of Directors w.e.f 04/08/2023. His regularisation as an Independent Director for a consecutive period of five years is being placed before the shareholders for approval at ensuing Annual General Meeting.

There are no other changes in the Board of Directors and the Board is having optimum combination of Independent and Promoter Directors as required under Section 149(4) read with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended.

MEETINGS OF THE BOARD OF DIRECTORS:

During the year, your Company has conducted 4 meetings of the Board of Directors. The details of the meetings of the Board & Committees thereof including attendance therein are given under Corporate Governance Report.

Your company has digitalized the Board Process and adopted paper less Board meetings platform.

KEY MANAGERIAL PERSONNEL:

Following are the Key Managerial Personnel of your Company:

Sl No.	Name of KMP	Designation
1	Shri Manoj Agarwal	Chairman Cum Managing Director
2	Shri Ankur Srivastava	Company Secretary & Compliance Officer
3	Shri Vishal Jain	Chief Financial Officer

DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

DEPOSITS:

In view of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 your Company did not accept any deposit during the year under review.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the Listing Regulations is annexed to the Annual Report as Annexure 'A' and Management Discussion and Analysis Report also forms part of this Report.

The Certificates certifying that

(i) the Company has complied with the requirements of Corporate Governance in terms of SEBI (LODR) Regulations, 2015; and

(ii) none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ MCA or any such authority.

are attached and forms the part of this Report.

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

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo for the financial year 2022-23 are annexed as Annexure 'B' which forms part of this Report.

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure 'C' which forms part of this Report.

AUDITORS:

I. STATUTORY AUDITORS AND THEIR REPORT

M/s Rajiv Mehrotra & Associates (FRN: 002253C), Chartered Accountants, were appointed as Statutory Auditors of your Company for a period of 5 years in the Annual General Meeting held on 02/09/2022 till the conclusion of 56th Annual General Meeting to be held in the year 2027.

The Audit Report from the Statutory Auditors forms part of this Annual Report. The said report does not contain any qualification, reservation or adverse remark.

II. COST AUDITORS

As per Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the Company, is required to maintain and audit its cost records conducted by a Cost Accountant. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s Rakesh Misra & Company, Cost Accountants as the Cost Auditors of the Company to conduct cost audit for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending 31st March, 2024. Under Section 139(1) of the Act and the Rules framed thereunder M/s Rakesh Misra & Company have furnished a certificate of their eligibility and consent for appointment.

The Board on recommendations of the Audit Committee have approved the remuneration payable to the Cost Auditor, subject to ratification of their remuneration by the Members at the ensuing AGM. The resolution approving the above proposal is being placed for approval of the Members in the Notice for this Annual General Meeting.

The cost audit report for the financial year 2022-23 will be filed within the stipulated time.

III. SECRETARIAL AUDITORS

The Company has appointed M/s Adesh Tandon & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for the year 2022-23. The Secretarial Audit Report, as placed by the Auditor, is annexed with this Report as Annexure 'D'. There was no qualification, reservation or adverse remark made by the Auditor in their respective report.

IV. INTERNAL AUDITORS

During the year under review M/s S N Saraogi & Associates, Chartered Accountants were the Internal Auditors of the Company. Their reports were placed before the Audit Committee of the Company from time to time.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control with reference to the financial statements. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Company ensures proper and adequate systems and procedures commensurate with its size and nature of its business.

ANNUAL RETURN:

As per the requirement of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the Annual Return for the year 2022-23 has been placed on the website of the Company. The weblink of the same is https:/www.kanplas.com/en/corporate-governance.

LISTING:

The Equity Shares of the Company are listed with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). We confirm that the Annual Listing Fees for the financial year 2023-24 have been paid within the stipulated time to both the Stock Exchanges.

CORPORATE SOCIAL RESPONSIBILITY:

In terms of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of your Company have constituted a CSR Committee the details of which are given in Corporate Governance Report. CSR Committee of the Board have developed a CSR Policy which is enclosed as part of this report Annexure-'E'.

Annual report on CSR as required under Rule 8(1) of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed with this report as Annexure 'F'.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year, your Company has not made any Loan or given any Guarantees to any parties covered under section 185 except its Subsidiary Companies which have been converted into Capital and the details of investments are given under note 4 and 8 of the Financial Statements. However, the investments

made does not exceeds the limits as prescribed under Section 186 of the Companies Act, 2013.

VIGIL MECHANISM (WHISTLE BLOWER POLICY):

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulations 34 (3) and 53 (f) of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

During the year under review no complaint was received by the Audit Committee under the Whistle Blower Policy.

RISK MANAGEMENT:

The Company follows the risk management policy wherein the management keeps an eagle eye view on the markets, both domestic and foreign, related to the products, the Company manufactures and the raw materials required. The management also monitors the socio-economic changes worldwide and the changes in the currency fluctuation to minimize the risks.

The Board members are regularly informed about the potential risks, their assessment and minimization procedures. The Board frames a plan for elimination / minimization of the risk and further lays out the steps for implementing and monitoring of the risk management plan.

There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se that are generally dealt in regular course of business are fluctuations in foreign exchange rates and raw material prices which have to be taken care.

MATERIAL CHANGES AND COMMITMENTS:

No material changes or commitments which may affect the financial position of the Company has been occurred between the end of the financial year of the Company and the date of this report.

INDIAN ACCOUNTING STANDARDS:

Your Company has adopted Indian Accounting Standards ('Ind-AS') with effect from 1st April, 2017 pursuant to Ministry of Corporate Affairs notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standards) Rules, 2015.

BOARD EVALUATION:

The Board annually evaluates its performance as well as the performances of its Committees and of Directors individually.

For evaluating the performance of the Board as a whole, the Chairman of the Company and the Whole Time Directors are evaluated linking it with the periodical performances of the Company, role of the Board towards achievement of the said performances, the future plans as set out from time to time and their devotion towards implementation and management of the growth parameters of the Company.

The performance of the Non Executive / Independent Directors is evaluated on the basis of their contribution for adopting better corporate governance practices, transparency and disclosures in achieving the goal of the Company.

The performance of the various Committees of the Board is reviewed on the basis of the achievement of the work designated to the specific committee.

RELATED PARTY TRANSACTIONS:

During the year no contracts / arrangements were entered / renewed by the Company with related parties in terms of the provisions of Section 188(1) of the Companies Act, 2013.

All the transactions with the related parties entered during the year 2022-23 were in the ordinary course of business, on arm's length basis and as per the approval of the Audit Committee. Further, no material related party transaction was entered during the year under review.

Disclosure as required under section 134(3)(h) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, in form AOC-2, is not applicable as all the contracts entered by the Company during the year are on arms length basis and there was no material contract or arrangement.

The policy to deal with the related party transactions is uploaded on the company's website. The weblink of the same is https://www.kanplas.com/en/policies

COMPANYS' POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. The Company has duly constituted the

Nomination and Remuneration Committee of the Board and the committee interalia periodically evaluates:

1. The need for change in composition and size of the Board;
2. Recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance.
3. Recommend the policy for remuneration of Directors, KMPs & other senior level employees of the Company and review the same in accordance with performance of the Company and industry trend.

The policy to deal with the selection, appointment and remuneration of the Directors and Key Managerial Personnel and other senior level employees is annexed with this report as Annexure 'G'.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that: -

i) in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors had prepared the Annual Accounts of the Company on a going concern basis.

v) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

Your Directors convey their sincere gratitude towards the Bankers, Government Agencies, esteemed customers and all other stakeholders for their continued support and patronage during the year.

Your Directors also place on record their appreciation for the committed and dedicated contribution of all the officers, staff and workmen for the consistent growth of your Company.

Your Directors also take this opportunity to place on record their gratitude to all the shareholders for their confidence with the Company.

For and on behalf of the Board of Directors
Kanpur Plastipack Limited

Place: Kanpur
Date: 4th August, 2023

(Shashank Agarwal)
Deputy Managing Director

(Manoj Agarwal)
Chairman Cum Managing Director

ANNEXURE- 'A' TO THE DIRECTORS' REPORT

Report On Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Strong corporate governance is the bedrock of our sustained performance and has helped us gain the trust and respect of all our stakeholders. Our corporate governance is a statement of the values we stand by as we conduct our business and engage with our stakeholders. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). Your Company believes that transparency, accountability, fair dealing and ethical practices lead to conduct of business in efficient and effective manner. This, in turn, creates wealth for all stakeholders on one hand and safeguards their interest on the other.

2. BOARD OF DIRECTORS:

As on 31st March, 2023, the Board of Kanpur Plastipack Limited consists of three Whole Time Directors and Five Non-Executive Directors, four of whom are Independent Directors, including one Non-Independent Woman Director. The composition of the Board and other relevant details relating to Directors are as under:

Name of the Director	Category	No of Equity Shares Held	No. of Board Meetings Attended	Whether attended last AGM	No. of Other Directorship	No. of Other Committees Chairmanship	No. of Other Committees Membership
Shri Manoj Agarwal	Promoter-Executive	2139784	4	Yes	3	-	-
Shri Shashank Agarwal	Promoter-Executive	1786846	4	Yes	6	-	-
Smt. Usha Agarwal	Promoter - Non- Executive	3114799	4	Yes	2	-	-
Shri Sunil Mehta	Executive	NIL	4	Yes	1	-	-
Shri Prem Singh Khamesra	Non-Executive & Independent	NIL	4	Yes	5	-	-
Shri Subodh Kumar	Non-Executive & Independent	NIL	4	Yes	-	-	-
Dr. Ram Gopal Bagla*	Non-Executive & Independent	NIL	1	No	-	-	-
Shri Akshay Kumar Gupta	Non-Executive & Independent	NIL	4	Yes	-	-	-
Shri Dharam Bir Prasad	Non-Executive & Independent	NIL	4	Yes	-	-	-

*Resigned w.e.f. 23/05/2022.

A brief resume of the Directors, nature of their expertise in specific functional areas etc. are available on the website of the Company at https://www.kanplas.com/en/board-of-directors.

Familiarization Programmes for Board Members:

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales and marketing of the Company's business, overview of business operations of the Company and its subsidiaries, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements are regularly shared with the Directors of your Company. Time to time visits to various plant locations are organized for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. Details of familiarization programmes for the Independent Directors are available on the website of the Company at https://www.kanplas.com/en/board-of-directors.

Appointment / Cessation:

Your Directors have re-appointed Shri Manoj Agarwal as Chairman Cum Managing Director for a further period of three years w.e.f. 01st September, 2023 on fresh terms of appointment as recommended by the Nomination and Remuneration Committee, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Shri Rajesh Chawla was appointed as Additional Independent Director by the Board of Directors w.e.f 04/08/2023. Your directors recommend his regularisation as Independent Director for a consecutive period of 5 years at the ensuing Annual General Meeting.

Smt. Usha Agarwal is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. In view of the valuable services, guidance and support received from her, your Directors recommend her re-appointment.

Details of Board Meetings held during the year 2022-23:

During the year, four meetings of the Board of Directors were held. The details of meeting are as under:-

S. No.	Date of Board Meeting	Strength of Board	No. of Members Present
1	23rd May, 2022	9	9
2	03rd August, 2022	8	8
3	04th November, 2022	8	8
4	11th February, 2023	8	8

3. AUDIT COMMITTEE:

During FY 2022-23, the constitution of the Audit Committee comprised 4 Directors namely Shri Prem Singh Khamesra as Chairman and Shri Akshay Kumar Gupta, Shri Dharam Bir Prasad and Shri Manoj Agarwal as members. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Four Audit Committee meetings were held during the year 2022-23. The details of the meetings are as under:-

S. No.	Date	Committee Strength	No. of Members Present
1	23rd May, 2022	4	4
2	03rd August, 2022	4	4
3	04th November, 2022	4	4
4	11th February, 2023	4	4

The terms of reference of the Audit Committee include review of Quarterly, Half-Yearly and Annual financial statements before submission to the Board for its approval, to review adequacy of internal control system, to apprise the Board on the impact of accounting policies, accounting standards and legislation, to hold periodical discussions with Statutory and Internal Auditors on the scope and content of the audit and to review the Company's financial and risk management policies. The members of the Committee are well versed in matters relating to finance, accounts, company law, other economic legislation and general management practices.

4. NOMINATION AND REMUNERATION COMMITTEE:

During FY 2022-23, the constitution of the Nomination and Remuneration Committee comprised four Non-Executive Directors. The constitution of the committee is Shri Akshay Kumar Gupta as Chairman and Shri Prem Singh Khamesra, Shri Subodh Kumar and Shri Dharam Bir Prasad as members. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Committee, interalia, looks into the matters, in accordance with the remuneration policy of the Company, to identify persons who are qualified to become Directors and who may be appointed in senior management and to recommend to the Board their appointment and/or removal, to carry out evaluation of every Director's performance, to formulate the criteria for determining qualifications, positive attributes and independence of a Director, and matters relating to the remuneration for the Directors and Key Managerial Personnel. One Nomination and Remuneration Committee meetings was held during the year 2022-23. The details of the meetings are as under:-

S. No.	Date	Committee Strength	No. of Members Present
1	11th February, 2023	4	4

The Company pays ₹ 1.00 Lacs to each Independent Director as annual honorarium in addition to the sitting fee for attending meetings of the Board of Directors @ ₹20,000/- each and ₹ 2,500/- for attending each meeting of sub committees besides reimbursement of expenses of traveling etc. The Company has no other pecuniary relationship or transaction with its non-executive Directors except as shareholders. The details of the remuneration given to the individual directors are given below:

(₹ in Lacs)

Name of Director	Remuneration	Perquisites	Commission/ performance Incentive	Sitting Fee	Stock Option	Others	Total
Shri Manoj Agarwal	81.30	-	-	-	-	-	81.30
Shri Shashank Agarwal	68.34	-	-	-	-	-	68.34
Shri Sunil Mehta	51.00	-	10.00	-	-	-	61.00
Smt. Usha Agarwal	-	-	-	1.20	-	1.00	2.20
Shri Prem Singh Khamesra	-	-	-	1.03	-	1.00	2.03
Dr. Ram Gopal Bagla*	-	-	-	0.25	-	1.00	1.25
Shri Subodh Kumar	-	-	-	1.05	-	1.00	2.05
Shri Akshay Kumar Gupta	-	-	-	0.95	-	1.00	1.95
Shri Dharam Bir Prasad	-	-	-	1.00	-	1.00	2.00

* Dr. Ram Gopal Bagla has resigned from the office of Director w.e.f. 23/05/2022.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

As on 31st March, 2023 Stakeholders Relationship Committee Consisted of 4 members. Shri Subodh Kumar as Chairmran and Shri Manoj Agarwal, Shri Dharam Bir Prasad and Smt. Usha Agarwal as members. Shri Ankur Srivastava, Company Secretary of the Company is the Compliance Officer.

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. During the year four Committee Meetings were held. Details of the meetings are as are as under:

S. No.	Date	Committee Strength	No. of members present
1.	23rd May, 2022	4	4
2.	03rd August, 2022	4	4
3.	04th November, 2022	4	4
4.	11th February, 2023	4	4

The Committee look after the matters relating to transfer, transmission / transposition of shares, demat of shares, issue of duplicate share certificates, redressal of shareholders / investors grievances and complaints regarding non-receipt of dividends, Annual Reports, etc. Except from routine shareholder service related matters, during the year, 5 investor grievances were received by the Company.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As on 31st of March, 2023, the constitution of the CSR Committee was : Shri Prem Singh Khamesra as Chairman and Shri Shashank Agarwal, Shri Subodh Kumar and Smt. Usha Agarwal as members. The Committee met 4 times during the year 2022-23 the details of which are given below:

S. No.	Date	Committee Strength	No. of members present
1.	23rd May, 2022	4	4
2.	03rd August, 2022	4	4
3.	04th November, 2022	4	4
4.	11th February, 2023	4	4

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013. The committee, inter-alia, looks into the matters of formulating and recommending to the Board, a CSR Policy and an annual action plan which shall indicate the activities to be undertaken by the Company as specified under Schedule VII of the Act, recommend the amount of expenditure to be incurred on the activities referred to in CSR activities and to monitor the CSR Policy of the Company from time to time, etc.

7. GENERAL BODY MEETING:

Annual General Meeting:

The Annual General Meeting of the Company during last three years were held through Video Conferencing or Other Audio Visual Means at the registered office of the Company

at D-19-20, Panki Industrial Area, Site-I, Kanpur – 208 022. The date and time of the AGM held during last three years and the Special Resolution(s), if any, passed there at are as follows:

2021-22		
Date and Time	:	2nd September, 2022 at 12:00 Noon
Special Resolution(s)	:	No special resolution was put to vote.
2020-21		
Date and Time	:	3rd September, 2021 at 12:00 Noon
Special Resolution(s)	:	1. Issue of bonus share in the proportion of 1(One) Bonus share for every existing 2(Two) fully paid up Equity shares of Rs. 10/- each (Ratio 1:2) 2. Adoption of New Set of Article of Associations 3. Re-appointment of Shri Shashank Agarwal as Deputy Managing Director 4. Change in the terms of appointment of Shri Sunil Mehta, Executive Director 5. Grant of Honorarium to retiring Chairman Emeritus of the Company Shri Mahesh Swarup Agarwal 6. Change in the terms of appointment of Shri Manoj Agarwal, Chairman Cum Managing Director 7. Grant of annual Honorarium to all Independent Directors of the Company 8. Approve and ratify the re-appointment of Shri Akshay Kumar Gupta, Non Executive Independent Director
2019-20		
Date and Time	:	3rd September, 2020 at 12:00 Noon
Special Resolution(s)	:	1. Reappointment of Shri Manoj Agarwal as Managing Director

Extraordinary General Meeting:

During last 3 years 1 EGM was held at the registered office of the Company at D-19-20, Panki Industrial Area, Site-V, Kanpur – 208 022. The date and time of the EGM held during last three years and the Special Resolution(s), if any, passed there at are as follows:

2019-20

Date and Time : 18th April, 2019 at 1:00 PM

Special Resolution(s):

1. Approval of continuation of directorship of Shri Mahesh Swarup Agarwal, Chairman Emeritus.
2. Approval of continuation of directorship of Dr. Ram Gopal Bagla and reappointment as Independent Director for a further period of 5 years w.e.f. 01/04/2020.
3. Approval and ratification of the re-appointment of Shri Prem Singh Khamesra, Independent Director for a further period of 5 years w.e.f. 01/04/2019.
4. Approval and ratification of the re-appointment of Shri Subodh Kumar, Independent Director for a further period of 5 years w.e.f. 01/04/2019.
5. Approval for re-issue / cancel/ dispose off the forfeited shares.

Postal Ballot:

During last 3 years 1 Postal Ballot was conducted. The Resolution(s) passed there at are as follows:

2021-22

Date : 17th March, 2022

Resolution(s) : 1. Reclassification of certain individuals from Promoters Group category to Public Category

8. DISCLOSURES:

a) All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis. Omnibus approval from the Audit Committee was obtained on annual basis for transactions which are of repetitive nature. There was no materially significant related party transaction i.e. transaction of material nature with its promoters, directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes on Accounts forming part of the Annual Report. The policy to deal with the related party transactions is uploaded on the company's website. The weblink of the same is http://www.kanplas.com/en/policies.

b) During the year 2022-23:-

   a) No person has been denied access to the Audit Committee to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics as per the "Vigil Mechanism (Whistle Blower Policy)" of the Company;

   b) The Company has complied with all the mandatory requirements and most of the discretionary requirements specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015; and

   c) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or by any statutory authority on any matter related to capital markets during last three years.

   d) The Company has complied with the Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

e) Shri Manoj Agarwal, Smt. Usha Agarwal and Shri Shashank Agarwal are relatives. There is no pecuniary or other relationship among any other Directors of the Company. Independent Directors are not related themselves, with the Company or any of its Directors.

f) The details of familiarization programmes imparted to the Independent Directors have been disclosed on the website of the Company the weblink of the same is https://www.kanplas.com/images/Details-of-Familiarization-programme-imparted.xlsx

g) Performance evaluation of Independent Directors is conducted by the entire board based on their experience, knowledge, competency, attendance, commitment, integrity and Independence.

9. MEANS OF COMMUNICATION:

The quarterly and Annual Results of the Company are sent to the Stock Exchanges, where the Company's shares are listed, immediately after they are approved by the Board. These are also published in regional language (Hindi) newspaper and in National English Daily as per the SEBI (LODR) Regulations. Quarterly Results, Annual Results, Annual Report and other information are also available on the website of the Company i.e. www.kanplas.com. In compliance with the directives of Ministry of Corporate Affairs and Securities and Securities and Exchange Board of India, the Annual Report 2022-23, the Notice of the 52nd AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

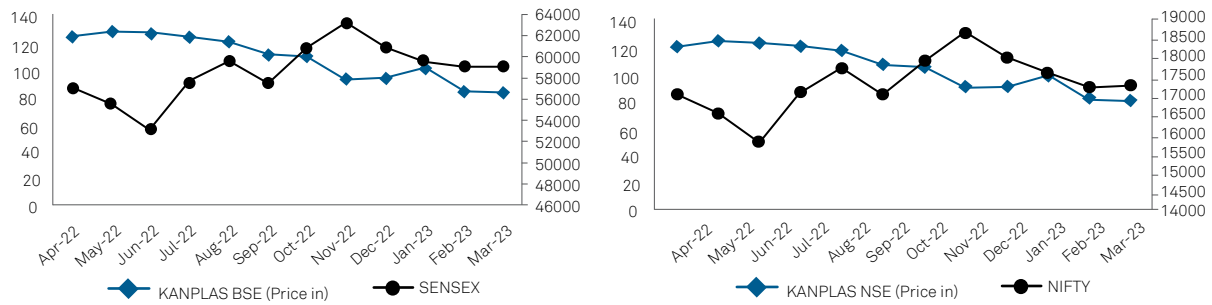
10. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting	Date	:	14th September, 2023
		Time	:	12:00 Noon
		Venue	:	D-19-20, Panki Industrial Area, Kanpur 208 022.
(ii)	Financial Year		:	1st April, 2022 to 31st March, 2023
(iii)	Date of Book Closure		:	9th September, 2023 to 14th September, 2023 (both days inclusive)
(iv)	Dividend payment date, if declared		:	25th September, 2023
(v)	Listing on Stock Exchanges		:	Bombay Stock Exchange National Stock Exchange (The Company is up-to-date on the payment of Annual Listing fees)
(vi)	Stock Code		:	507779 (BSE), KANPRPLA(NSE)

(vii) Market Price Data At BSE & NSE :

Month	Bombay Stock Exchange		National Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-22	147.95	119.00	148.45	114.40
May-22	134.00	109.00	132.70	108.95
Jun-22	129.85	111.95	130.85	113.10
Jul-22	135.35	119.70	135.00	120.55
Aug-22	129.85	111.90	130.00	113.00
Sep-22	125.00	104.10	125.35	103.85
Oct-22	116.00	101.10	116.45	101.25
Nov-22	110.30	90.75	110.00	83.20
Dec-22	117.00	84.70	115.45	83.60
Jan-23	121.80	92.70	121.60	92.30
Feb-23	101.50	80.20	101.80	80.40
Mar-23	92.65	72.85	93.65	73.00

(viii) Comparison of Company's stock performance with BSE- SENSEX & NIFTY:



(ix) Registrar and Share Transfer Agent(RTA) :

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi- 110 020

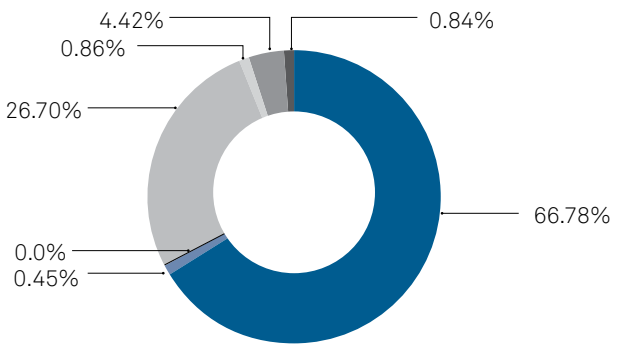
(x) Share Transfer System: -

SEBI had barred physical transfer of shares of listed companies with effect from 1st April, 2019 and mandated transfers only through demat mode. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in physical mode to dematerialize their shares. Shareholders holding shares in dematerialized mode have been requested to register their email address, bank account details and mobile number with their depository participants.

SEBI has mandated those shareholders, holding shares in physical mode to furnish and keep updated PAN, nomination, contact details, bank account details and specimen signature for their corresponding folios. The folios shall be frozen, if any of these details are not available on or after 01st October, 2023.

The shares received for transmission/transposition in physical form are processed by RTA and the Share Certificates are returned after authorization by the Company, within a period of 15 days from the date of receipt, subject to the documents being valid & complete in all respects. Any transferee who wishes to get the shares dematerialized may approach any of the Depository Participants (DP) along with a duly filled Demat Request Form.

(xi) Shareholding Pattern as on 31st March, 2023:



Category	No. of shares held	% of Share holding
Promoters	14325795	66.73
Private Corporate Bodies	96543	0.45
FIIs	-	-
Indian Public	5732401	26.70
NRIs/OCBs	184233	0.86
IEPF Authority	948627	4.42
Others	179159	0.84
TOTAL	**21466758**	**100%**

(xii) Distribution of Shareholding as on 31st March, 2023:

No of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
Up To 5,000	9417	86.92	13,33,805.00	6.21
5,001 To 10,000	741	6.84	5,33,902.00	2.49
10,001 To 20,000	372	3.43	5,13,007.00	2.39
20,001 To 30,000	107	0.99	2,66,570.00	1.24
30,001 To 40,000	42	0.39	1,46,804.00	0.68
40,001 To 50,000	29	0.27	1,28,590.00	0.60
50,001 To 1,00,000	59	0.54	4,20,408.00	1.96
1,00,000 and Above	67	0.62	1,81,23,672.00	84.43
Total	**10,834**	**100.00**	**2,14,66,758.00**	**100.00**

(xiii) Dematerialization of shares: -

The Company's shares are under demat mode as well. The ISIN of the Company is INE694E01014. As on 31st March, 2023, 97.92% equity shares of the Company are in dematerialized mode.

(xiv) Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity:- Not Applicable

(xv) Commodity price risk or foreign exchange risk and hedging activities:

To control and minimize all those risk, the Company has formulated adequate system according to which each risk is effectively evaluated and ensured that these risks are known and addressed through a pragmatic and effective risk management process by the Management.

(xvi) Plant and Location:

(i) Registered Office : D-19-20, Panki Industrial Area, Site-I
Kanpur – 208 022

(ii) Manufacturing Units 1. D-19-20, Panki Industrial Area, Site-I, Kanpur-208 022

2. A-1/A-2, Udyog Kunj, Site V, Kanpur-208 022

3. Gajner Road, Village Shyampur Fattehpur Roshnai, Dist. Akbarpur, Kanpur Dehat-209121

4. D-6, Panki Industrial Area, Kanpur-208022

5.CPP Unit- Gajner Road, Village Shyampur Fattehpur Roshnai, Dist. Akbarpur, Kanpur Dehat- 209121

(xvi) Address for Investor Correspondence: -

• For shares held in Physical Form & for any query on the Annual Report & Dividend	:	Kanpur Plastipack Ltd. D-19-20, Panki Industrial Area, Site-I Kanpur-208 022
• For Shares in Demat Form	:	Skyline Financial Services Private Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase-I New Delhi- 110 020

The Company has also created a dedicated email id (secretary@kanplas.com) exclusively for the purpose of registering and redressal of the services / complaints of investors and this is prominently displayed on the Company's website i.e. www.kanplas.com

(xvii) Credit Rating: - Details disclosed in Directors Report.

DECLARATION

I, Manoj Agarwal, Chairman Cum Managing Director of Kanpur Plastipack Limited, hereby declare that, pursuant to Regulation 17(5) of the SEBI (LODR) Regulations, 2015, all members of the Board and Senior Management personnel have affirmed their compliance with the Code of Conduct for the year ended 31st March, 2023.

It is also confirmed that, in the opinion of the board, the Independent Directors fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and are Independent of the management.

For and on Behalf of the Board of Directors

Place: KANPUR
Date: 4th August, 2023

(MANOJ AGARWAL)
CHAIRMAN CUM MANAGING DIRECTOR

Certificate on Corporate Governance

To,
The Members,
Kanpur Plastipack Limited
D 19-20, Panki Industrial Area,
Kanpur, Uttar Pradesh – 208022

We have examined the compliance of conditions of Corporate Governance by Kanpur Plastipack Limited ("the Company"), for the financial year ended on 31st March, 2023 as per Regulations 17 to 27 and Clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. The Management's responsibility includes the implementation of the Rules and Regulations and maintenance of the internal controls and procedures to comply with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

OUR RESPONSIBILITY

Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and explanations given to us and representation made by the Directors and the Management, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clauses (b) to (i) and (t) of sub-regulation 2 of Regulation 46 and Para C, D and E of Schedule V of the SEBI Listing Regulations, as applicable, during the financial year ended on 31st March, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTIONS ON USE

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For ADESH TANDON & ASSOCIATES
Company Secretaries

Peer Reviewed Unit:741/2020
UDIN: F002253E000701688
Place: Kanpur
Date: 04th August, 2023

(Adesh Tandon)
Proprietor
FCS No. 2253
C.P. No. 1121

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members,
Kanpur Plastipack Limited
D 19-20, Panki Industrial Area,
Kanpur, Uttar Pradesh - 208022

We have examined the relevant registers, records and disclosures received from the Directors of Kanpur Plastipack Limited (hereinafter referred to as "the Company") having CIN:L25209UP1971PLC003444 and having its registered office at D-19-20, Panki Industrial Area, Kanpur, Uttar Pradesh - 208022, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.N.	Name of Director	DIN	Latest Date of Appointment/ Re-appointment at current designation
1.	MANOJ AGARWAL	00474146	01/06/2021
2.	SHASHANK AGARWAL	02790029	02/09/2022
3.	SUNIL MEHTA	03422673	03/09/2021
4.	USHA AGARWAL	00997099	03/09/2020
5.	AKSHAY KUMAR GUPTA	00004908	01/04/2021
6.	PREM SINGH KHAMESRA	00049162	01/04/2019
7.	SUBODH KUMAR	06933864	01/04/2019
8.	DHARAM BIR PRASAD	08453624	27/05/2019

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 on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For ADESH TANDON & ASSOCIATES
Company Secretaries

Peer Reviewed Unit:741/2020
UDIN: F002253E000701677
Place: Kanpur
Date: 04th August, 2023

(Adesh Tandon)
Proprietor
FCS No. 2253
C.P. No. 1121

ANNEXURE B TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY:

I. STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

a) Ventilation and cooling arrangement of 2nd floor of Unit 2 has been replaced with new more energy efficient arrangement with improved performance.

II. STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

Your Company was always a frontrunner in adoption of renewable energy sources. Steps taken towards sustainable sources of energy have enable the Company to utilize more than 53% of power consumption through renewable sources.

During the year we have all together received 1,58,62,000 Units of Solar Power at all our units which has saved emission of carbon by 11,100 MT.

III. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:

During the year, total Investment Capitalized under this head on purchase of New Air Cooling & Ventilation arrangement of 2nd floor of Unit 2 was approx. ₹ 37.4 Lakhs.

B. TECHNOLOGY ABSORPTION:

I. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:

The Management regularly keeps a watch on the latest technological developments in the field of operations of the Company and whenever there are changes which in the opinion of management are beneficial, your Company absorbs the same.

During the year to make your company a smart factory, company has moved towards adopting the new world of Artificial Intelligence system and embeds this new wonderful technology in its manufacturing process in the following areas:

a) PMS (Production Monitoring System) using IoT sensors installed on Loom, Lamination for real time machine utilization and optimization.

b) Digital Traceability and History from start to end maintained for all the bags manufactured by pasting unique barcode id on bags.

c) Using Advanced AI cameras to ensure defect free Fabric for bag manufacturing.

d) Created a digital platform for centralizing the system to resolve any complain and problem.

e) AI driven Production, Planning & Control for faster lead time and on time delivery.

f) Implementation of HRMS (Human Resource Management System) Portal to provide easy access to each employee for self related information on one central platform.

II. BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION:

a) Implementation of PMS resulted in improved productivity and with better quality.

b) Digital Traceability will become easy and customer related issues are solved easily.

c) Quality of the products has been improved drastically.

d) This has been done to improve the confidence of our customers.

e) This will result in faster delivery and implementation.

f) It has improved employee's confidence on the organization.

III. IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR:

details of technology imported	year of import	whether the technology been fully absorbed	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
--	--	--	--

IV. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company has earned and spent Foreign Exchange as detailed below:

(₹ In lacs)

(i)	Earning on FOB value basis	32,986.79
(ii)	Total Expenditure in Foreign Currency:	
	(a) Expenditure on Import of Raw Materials, Plant & Machinery and Spare parts and others	4,034.77
	(b) Expenditure on Export promotion tour	84.87
	(c) Expenditure on other than above	102.39

ANNEXURE-C

The information as required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Remuneration paid to Directors and Key Managerial Personnel:

(₹ in Lacs)

Sl. No.	Name	Title/Category	Remuneration in Fiscal 2023	Remuneration in Fiscal 2022	Increase / Decrease in remuneration	% Change in remuneration	Ratio of remuneration to the MRE
1	Manoj Agarwal	Chairman Cum Managing Director -KMP	81.3	180.24	-98.94	-54.89%	61.13
2	Shashank Agarwal	Deputy Managing Director	68.34	159.95	-91.61	-57.27%	51.38
3	Sunil Mehta	Executive Director	51.00	56.45	-5.45	-9.65%	38.35
4	Usha Agarwal	Non Executive Director	-	-	-	-	-
5	Prem Singh Khamesra	Independent Director	1.00	1.00	0	0.00%	0.75
6	Akshay Kumar Gupta	Independent Director	1.00	1.00	0	0.00%	0.75
7	Subodh Kumar	Independent Director	1.00	1.00	0	0.00%	0.75
8	Dharam Bir Prasad	Independent Director	1.00	1.00	0	0.00%	0.75
9	Ankur Srivastava	Company Secretary -KMP	16.83	16.04	0.79	4.93%	12.65
10	Vishal Jain	CFO-KMP	35.62	34.36	1.26	3.67%	26.78

Key parameters for any variable component of remuneration availed by the Directors: During the year, no commission as a fixed percentage of net profit was paid to Chairman cum Managing Director and Deputy Managing Director in view of affected bottom line of the Company. Fixed performance incentive was paid to Executive Director. Also, a fixed annual honorarium is being paid to all Independent Directors of the company.

There is no employee of the Company who has received remuneration in excess to the highest paid Director of the Company.

Comparison of Remuneration to Employees

(₹ in Lacs)

Particulars	As on 31.03.2023	As on 31.03.2022	Increase / Decrease	Average Increase / Decrease	Median Remuneration of Employee (MRE)		Increase / Decrease in MRE	% Increase / Decrease in MRE
					As on 31.03.2023	As on 31.03.2022		
Number of permanent Employees on the rolls of the Company	1341	1500	-159					
Total Remuneration	**5527**	**5751**	**-224**	**0.29**	**1.33**	**1.29**	**0.04**	**3.10%**

The figures of the previous year have been regrouped and recast wherever found necessary.

The number of permanent employees on the roll of the company represents the employees on roll as on 31st March of the relevant financial year, however, the median includes the remuneration of those employees also who left the company during relevant financial year.

Average increase in the remuneration of employees is ₹0.29 Lacs and percentile average increase in remuneration is 7.50%. During the year, Turnover of the Company was decreased by about 24% while net profit was reduced about 84%. Total remuneration paid to the employees was slightly reduced due to reduced number of employees. New recruitments and revision of the salary were as per continuing process in normal course.

The remuneration paid to the Directors, KMP and employees is in accordance with the remuneration policy of the Company.

Average percentile increase in salaries of employees other than Directors during 2022-23 was 0.08% in comparison to earlier year 20.30%. In the same period there was a decrease of about 54% in the managerial remuneration due to non-payment of commission to the Chairman Cum Managing Director and Deputy Managing Director.

2. Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

No employee of the Company was in receipt of remuneration, in aggregate, more than ₹102.00 Lacs as prescribed, during the year and no employee of the company was in receipt of remuneration, in aggregate, in excess of that drawn by the Managing Director or Whole Time Directors of the Company. Hence, the statement under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

Secretarial Audit Report

For the Financial Year ended 31st March, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kanpur Plastipack Limited
D 19-20,Panki Industrial Area,
Kanpur, Uttar Pradesh – 208022

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under as amended from time to time;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as amended from time to time:

(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 **(Not applicable to the Company during the Audit Period);**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Non Covertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**

(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 the client **(Not applicable to the Company during the Audit Period);**

(g) The Securities and Exchange Board of India(Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We further report that, having regard to the compliance system prevailing in the Company and as certified by management and on examination of the relevant documents and records in pursuance thereof, on text check basis there are no specific laws applicable to the company.

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

I. Secretarial Standards issued by the Institute of Company Secretaries of India (as amended from time to time);

II. The Listing Agreement as entered into by the Company with Stock Exchange(s).

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes took place in the composition of the board were in compliance of the law.

Adequate notices were 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.

All decisions at the Board Meetings and Committee Meetings has been carried out without dissent, as recorded in the minutes of the meetings of the Board or Committee of the Board, as the case may be.

We further report that, there exist 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.

We further report that, during the audit period:

(i) No instances of issue of public/right/Preferential Issue of shares / sweat equity, debentures etc;

(ii) No instances of Redemption / Buyback of securities;

(iii) No instances of merger / amalgamation / re-construction, etc; and

(iv) No Foreign technical collaborations.

For ADESH TANDON & ASSOCIATES
Company Secretaries

Peer Reviewed Unit:741/2020
UDIN: F002253E000701655
Place: Kanpur
Date: 04th August, 2023

(Adesh Tandon)
Proprietor
FCS No. 2253
C.P. No. 1121

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

'Annexure A'

To,
The Members
Kanpur Plastipack Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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 the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For ADESH TANDON & ASSOCIATES
Company Secretaries

(Adesh Tandon)
Proprietor
FCS No. 2253
C.P. No. 1121

Place: Kanpur
Date: 04th August, 2023

Corporate Social Responsibility

Corporate Social Responsibility is strongly connected with the principles of Sustainability. An organization should make decisions based not only on financial factors, but also on the social and environmental consequences thereof. Therefore, it is the core corporate responsibility of KPL to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting its financial interests and the aspirations of its stakeholders.

KPL recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective CSR practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The Company's endeavors to make CSR a key business process for sustainable development. KPL is responsible to continuously enhance shareholders wealth. It is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our company is committed towards aligning with nature and has adopted, as far as possible, eco-friendly practices. As a corporate entity, the Company is committed towards sustainability.

Corporate Social Responsibility:

Corporate Social Responsibility means and includes but not limited to the projects or programs relating to activities specified in Schedule VII of the Act in pursuance of recommendation of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated under Schedule VII of the Act.

Guiding Principles:

To attain its CSR objectives in a professional and integrated manner, the company shall:

- Undertake proactive engagement with stakeholders to actively contribute to the socio-economic development of the periphery/community in which it operates.
- Create a positive footprint within the society by creating inclusive and enabling infrastructure/environment for livable communities.
- Ensure environmental sustainability by adopting best ecological practices and encouraging conservation/ judicious use of natural resources.
- Work towards mainstreaming the marginalized segments of the society by striving towards providing equal opportunities and making meaningful difference in their lives.
- Focus on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators.
- Assist in skill development by providing direction and technical expertise to the vulnerable thereby empowering them towards a dignified life.
- Emphasize on providing basic nutrition/health care facilities with special focus on establishing health centers for the mother and child as well as the elderly.
- Facilitate water conservation by reducing water consumption at the plants and taking up rain water harvesting projects.
- Work towards generating awareness for creating public infrastructure that is barrier free, inclusive and enabling for all including the elderly and the disabled.
- Create positive awareness towards the need to adopt measures that lead towards reducing carbon footprints, dependence on fossil fuels and promote alternate energy approaches.
- At the time of national crisis, as a company it is imperative for us to respond to emergency situations & disasters by providing timely help to affected victims and their families.

CSR Policy:

In order to achieve the above principles, and as per section 135 read with schedule VII of the Companies Act, 2013, KPL shall undertake the Corporate Social Responsibility (CSR) Activities particularly in the following sphere and expenditure towards one or more of the below mentioned activities, on continuous basis, shall be the "Kanpur Plastipack Limited Corporate Social Responsibility Policy":

(i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;

(v) Protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

(vi) Measure for the benefit of armed force veterans, war widows and their dependents;

(vii) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympics sports;

(viii) Contribution to the prime minister's National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;

(ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

(x) Rural Development projects.

(xi) slum area development.

Manner of CSR Activity and its reporting

The CSR Committee shall recommend the expenditure to be incurred on the above activities and shall from time to time monitor and report to the Board about the implementation thereof, expenditure incurred and to be incurred, amount expended, amount unspent, balance amount to be incurred and in case of any deviation from the stated policy, reasons thereof is to be reported to the Board and the Board shall report to the shareholders in its Directors Report.

Trust or bodies incorporated with charitable objects may be approached for the implementation of the CSR Activities in pursuance to the above CSR Policy. The detail reporting of the same shall be made to the CSR Committee.

An Annual Report on CSR Activities detailing the amount required to be expended, detailed CSR projects and amount expended on each CSR activity will be reported to the Stakeholders.

ANNEXURE – F

Annual Report On Corporeate Social Responsibility (CSR) Activities For The Financial Year 2022-23

[Pursuant to the provisions of section 135 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company.

KPL recognizes that an effective CSR practice is required to give due consideration to the interests of its stakeholders. The Company's endeavors to make CSR a key business process for sustainable development. It is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on the society. The Company is committed towards aligning with nature and has adopted, as far as possible, eco-friendly practices. As a corporate entity, the Company is committed towards sustainability. Corporate Social Responsibility means and includes the projects or programs relating to activities specified in Schedule VII of the Act in pursuance of recommendation of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated under Schedule VII of the Act.

During the year, CSR Committee of the Company has decided to spend the amount of CSR interalia on promoting health care, education, conservation of natural resources, women empowerment etc.

2. Composition of the CSR Committee.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prem Singh Khamesra	Chairman Independent Director	4	4
2	Subodh Kumar	Member Independent Director	4	4
3	Usha Agarwal	Member Non Executive Director	4	4
4	Shashank Agarwal	Member Whole Time Director	4	4

3. 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.

CSR policy is attached with the Directors report the same has also been uploaded on the website of the Company. Weblink of the same is https://www.kanplas.com/en/policies

The Composition of the CSR Committee has been disclosed on the website of the Company at https://www.kanplas.com/images/constitution-of-commiittees.pdf

The details of the programmes which the Company is authorised to undertake are uploaded on the website of the Company https://www.kanplas.com/en/corporate-social-responsibility

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub rule(3) of rule 8, if applicable.

NA

5.	(a)	Average net profit of the company as per sub section (5) of section 135	:	₹2,917.54 Lacs
	(b)	Two percent of average net profit of the company as per sub section (5) of section 135	:	₹58.35 Lacs
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	:	NIL
	(d)	Amount required to be set off for the financial year, if any	:	₹16.55 Lacs
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	:	₹41.80 Lacs
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	₹ 43.63 Lacs
	(b)	Amount spent in Administrative Overheads	:	NIL
	(c)	Amount spent on Impact Assessment, if applicable	:	NIL
	(d)	Total amount spent for the Financial Year 2022-23 [(a+b+c)]	:	₹43.63 Lacs
	(e)	CSR amount spent or unspent for the Financial Year 2022-23	:	

Total Amount Spent for the Financial Year. (₹in Lacs)	Amount Unspent (₹In Lacs)				
	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.
43.63	NIL	-	-	NIL	-

(f) Excess amount for set-off, if any :

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 58.35 Lacs
(ii)	Set off of excess amount available, if any	₹ 16.55 Lacs
(iii)	Amount required to be spend during the Financial year 2022-23 [(i) - (ii)]	₹ 41.80 Lacs
(iv)	Total amount spent for the Financial Year	₹ 43.63 Lacs
(v)	Excess amount spent for the financial year [(iv) - (iii)]	₹ 1.83 Lacs
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vii)	Amount available for set off in succeeding financial years [(v) - (vi)]	₹ 1.83 Lacs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl No	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account Under Section 135(6)	Amount spent in the reporting financial year	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	Deficiency, if any
					Name of the Fund	Amount	Date of Transfer		
1	2021-22	-	-	-	-	-	-	-	-
2	2020-21	-	-	-	-	-	-	-	-
3	2019-20	-	-	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No

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

For Kanpur Plastipack Limited

(Manoj Agarwal)
Chairman Cum Managing Director

(Prem Singh Khamesra)
Chairman CSR Committee

Date: 04th August, 2023
Place: Kanpur

Annexure-G

Remuneration Policy

(As approved by the Board of Directors in their meeting held on 28th July, 2021)

In determining the remuneration policy, the Nomination and Remuneration Committee ensures that a competitive remuneration package for Board-level executives, KMPs and Senior Management personnel commensurate to their performance is maintained and benchmarked with the trend in the Industry.

The terms of reference, objectives and key elements of the policy produced below is in line with the provisions of Section 178(4) of the Companies Act, 2013, which requires that the policy be formulated in a manner such that it ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully and also that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

BASIS OF FORMULATION

The Company while deciding the remuneration package of the senior management members takes into consideration the following items:

a. Educational/Technical skills, knowledge of industry
b. Employment scenario
c. Remuneration package in similar industry and
d. Remuneration package of the managerial talent in other industries.

1. Remuneration to the Members of the Board of Directors

I. Remuneration payable to Executive Directors

The Company shall pay remuneration to its executive directors either by way of a monthly payment or at a specified percentage of the net profits of the Company or party by one way and partly by the other. The elements of the remuneration package of the Executive Director comprises of salary, perquisites & allowances comprising of Company maintained accommodation or house rent allowance, leave travel allowance and other perquisites and allowances including Company's contribution to provident fund, gratuity and leave encashment facilities in accordance with rules of the Company and as may be mutually agreed with the Director concerned.

Annual increments, if any, shall be effective 1st January each year or the date as may be fixed by the Board of Directors from time to time.

The Commission, if any, shall be payable annually after the Financial Statements have been adopted by the Shareholders.

The remuneration or any change therein is first recommended by the Nomination and Remuneration Committee and then approved by the Board of Directors and thereafter will be placed before the Shareholders for their approval.

II. Remuneration payable to Non-Executive and Independent Directors

The sitting fee payable to the Non Executive Directors of the Company for attending the meetings of the Board of Directors and Committees thereof shall be at the rates as may be decided by the Board of Directors from time to time and will be within the maximum limits as prescribed in the Companies Act, 2013.

The Board of Directors may also fix any remuneration or profit linked commission or performance incentives payable monthly or yearly or any other honorarium or benefit to the Independent Directors as per the procedure and within the limits as may be prescribed by the Companies Act, 2013, from time to time, and shall be subject to the confirmation from the Shareholders of the Company from time to time.

The Company shall not have any pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees, reimbursement of expenses and other remuneration, if any, payable to them.

III. Remuneration payable to Chairman / Chairman Emeritus

Remuneration payable to the Chairman / Chairman Emeritus as may be appointed by the Company, from time to time, shall be subject to the approval of the shareholders of the Company and will be within the limits laid down under Section 197 read with Section 198 read with Schedule V of the Companies Act, 2013

The total managerial remuneration payable to all the Directors of the Company shall not exceed the maximum limits as prescribed under Section 197 read with Schedule V of the Companies Act, 2013, subject to the approvals as may be required from time to time.

2. Remuneration payable to other KMPs and Senior Management personnel

As may be decided by the management in accordance with the policy of the Company.

Management Discussion and Analysis

Global economic overview

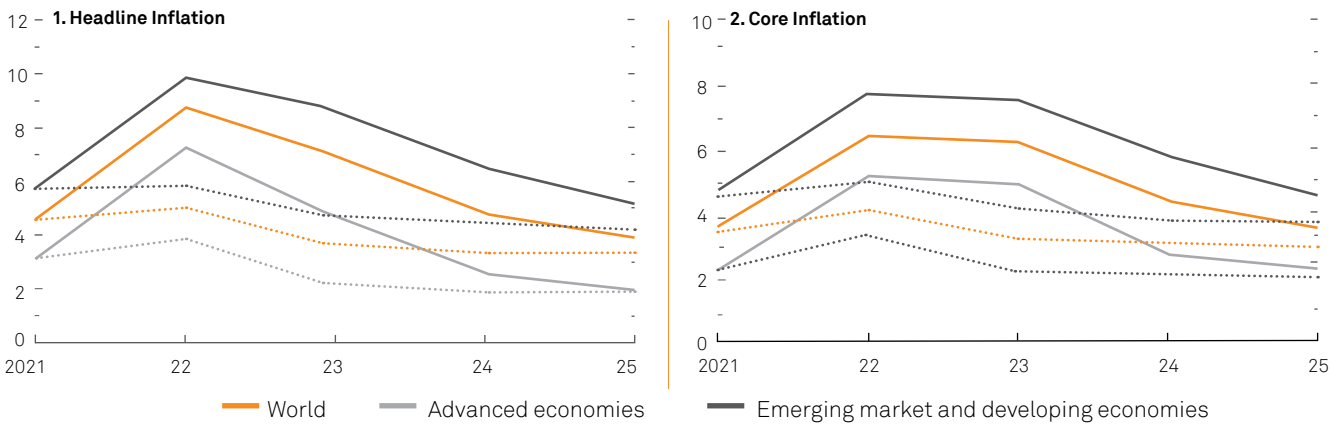
Numerous macroeconomic challenges have continued to burden the global economy over the past year. Along with the ramifications of the Russia-Ukraine war, supply chain constraints and mounting inflationary pressures impacted nations around the world. The sudden surge of COVID in China also impeded growth and global inflation remained at an escalated 8.7%[1], leading to rising poverty levels and unemployment. In 2022, around 350 million people faced acute food insecurity concerns, marking a two-fold spike in comparison to 2019.[2]

A recessionary atmosphere prevailed in Europe and the United States. Consumer demand has been subdued, while commodity prices are on the rise. In addition, the fragility of the US financial system has been underscored by the country's banking crisis, which may have implications in other areas of the world as well.

Outlook

The global economy is projected to clock a growth rate of 2.8% in 2023 and 3.0% in 2024.[3] Efforts by central banks to tighten monetary policy are likely to bear fruit and help ease global inflation. This is also anticipated to reduce the price of essential commodities and in turn, offer some modest relief to the common man. Overcoming COVID woes, China has ramped up production and is expected to witness a strong rebound in the near term. Moreover, many emerging and developing economies are anticipated to be instrumental in shaping the outlook for the global economy.

Inflation coming down over time (Percent; dashed lines from January 2022 WEO Update vintage)



Source: IMF staff calculations (Source: IMF, April 2023 World Economic Outlook)

Indian economic overview

Regardless of the global economic slowdown, the Indian economy has been exceptionally resilient and has become one of the world's fastest-growing major economies. According to the Ministry of Statistics and Programme Implementation (MOSPI), it is estimated to have grown by 7.2% for the year FY23[4]. In light of robust domestic demand and improved investor sentiment, the Indian economy is poised for a strong rebound. Employment rates in the formal sector have also increased and the private sector's business performance remains encouraging. Besides, the government's concerted efforts to raise capital expenditure have added an enhanced impetus to economic activity.

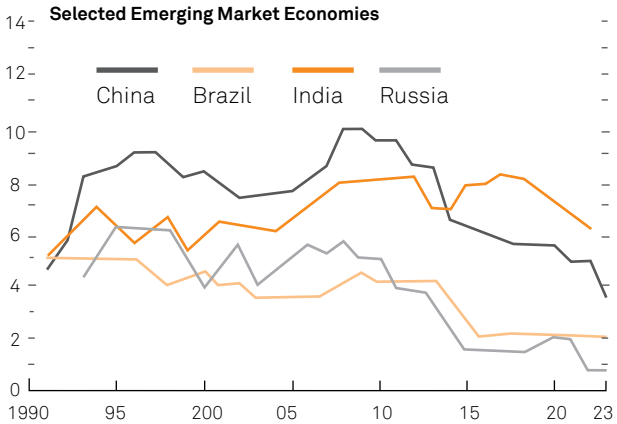
[1]https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023

[2]https://unctad.org/news/multiple-crises-unleash-one-lowest-global-economic-outputs-recent-decades-says-un-report

[3]https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023#:~:text=The%20baseline%20forecast%20is%20for,to%201.3%20percent%20in%202023.

[4]https://www.mospi.gov.in/sites/default/files/press_release/PressNoteQ4_FY2022-23_31may23.pdf

Global growth projection of emerging economies



(Source: IMF, April 2023 World Economic Outlook)

Outlook

In FY 2023-2024, India's economic growth is projected at 6.4% and effective monetary policies are anticipated to be effective in curbing sticky inflation. On the back of rising domestic demand, declining inflation, rising employment rates and favourable fiscal policies, the Indian economy is expected to remain relatively shielded from the combined pressures of a challenging macroeconomic environment [6].

Industry overview

The plastic packaging industry

Paper, plastic (both rigid and flexible), metal and glass are the four main types of packaging materials that constitute the global packaging industry valued at USD 369.21 billion. In CY2022[7] the global plastic packaging market is expected to grow at a compound annual growth rate (CAGR) of 4.1% from CY 2023 to CY 2028[8]. This growth is primarily fuelled by the expansion of major industries such as personal care, household care, pharmaceuticals and food and beverages, as well as the increasing adoption of e-commerce worldwide. These industries favour plastic packaging as it is lightweight, transparent and versatile. It serves as a substitute for materials, including glass or metal. In the coming years (between CY 2022 and CY 2029)[9], the plastic packaging market is expected to present profitable opportunities for industry players.

With easy access to raw materials and low production costs, India has become a leading plastic manufacturing hub.

The plastic packaging market in India is expected to register a growth rate of 2.5%[10] in the future. In the cosmetics and toiletries industries as well, plastics are favoured for their durability, portability and strength. According to the Indian Institute of Packaging (IIP), per-person annual packaging usage in India has grown by 200% in the last decade, from 4.3 kg to 8.6 kg .[11]

Currently, India's per capita consumption of plastic products is relatively low at 11 kg per year, compared to the global average of 28 kg. However, the important fact is that per capita consumption in India is expected to reach 16-20 kg per year by FY 2025.

Bulk packaging gaining relevance

The global bulk container packaging market is projected to grow at a rate of 6.3% from FY 2022 to FY 2031, totalling USD 34.1 billion by FY 2031. The recovery of economies and the growing preference for transporting goods and commodities in bulk are boosting the demand for bulk packaging solutions.

The Flexible Intermediate Bulk Container (FIBC) is a flexible fabric container used for storing and transporting dry, granular materials like chemicals, fertilisers and plastic granules. The global FIBC market is expected to grow at a CAGR of 5.8% during the forecast period (CY 2022-CY 2032) [15] and reach US$ 6.4 Billion by FY 2026.

This growth is driven by the expanding food and pharmaceutical industries worldwide and higher demand for lightweight bulk packaging solutions.

PP Multi-Filament Yarn market

Polypropylene yarn is a versatile material used in textiles. Due to its high tensile strength and lightweight nature, it is extensively used in weaving fabrics, stiching and allied activities.

The global polypropylene yarn market is projected to reach USD 23.85 billion by CY 2029, growing at a CAGR of 5.6%. East Asia is expected to be the most profitable market, capturing 30.1% of the total market share. Factors such as the growing population, the expansion of the apparel industry and the presence of key market players contribute to the growth of the polypropylene yarn market in India & East Asia[17].

Company overview

Kanpur Plastipack Limited (KPL), established in 1971, is a leading provider of Industrial Bulk Packaging Solutions. KPL offers a diverse range of products, such as FIBCs, woven sacks, MFY and UV Master Batch.

[6]https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html
[7]https://www.grandviewresearch.com/industry-analysis/plastic-packaging-market
[8]https://www.imarcgroup.com/plastic-packaging-market
[9]https://www.databridgemarketresearch.com/reports/global-plastic-packaging-market
[10]https://www.mordorintelligence.com/industry-reports/india-plastic-packaging-market
[11]https://www.mordorintelligence.com/industry-reports/india-plastic-packaging-market
[15]https://www.futuremarketinsights.com/reports/fibc-market
[17]https://www.futuremarketinsights.com/reports/polypropylene-yarn-market

With a rich legacy spanning over 50 years, KPL is a trusted supplier and exporter, serving customers in more than 40 countries. The Company's advanced facilities and expertise ensure high-quality manufacturing processes that meet international standards. KPL is committed to customer satisfaction and provides customised bulk packaging solutions. It has achieved the prestigious 'Global Standard for Packaging Materials Issue 6' Food Grade Certification with Grade AA. It was listed on the National Stock Exchange (NSE) on 01st January, 2021. KPL started manufacturing FIBC bags in-house in 2000. In 2008, it established a new finishing unit with BRC food-grade certification. In 2020, the Company began in-house manufacturing of UV Masterbatch and Crimp yarn, achieving backward integration.

The Company's mission and vision are to inspire, innovate and bring forth a tangible change in market leadership through customer satisfaction and global partnerships. KPL offers advanced, cost-effective packaging solutions that align with changing consumer trends and environmental concerns. Its fully recyclable products deliver exceptional quality and value.

The Company has achieved the A+ level of BRCGS Packaging Materials accreditation, a first among FIBC manufacturers worldwide. Additionally, the Company holds various certifications, including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BRC Unit II Certificate, BRC Unit III Certificate, WASH Unit II, WASH Unit III, WCA Report, Kosher Unit II 2021, Kosher Unit III 2021, Halal Unit II and Halal Unit III. Furthermore, it is also FSSC-certified[18].

Segment-wise performance

Products	Quantity (MT) 2021-22	Quantity (MT) 2022-23	Amount (₹ in Lakhs) 2021-22	Amount (₹ in Lakhs) 2022-23	(%) of total revenue 2021-22	(%) of total revenue 2022-23
FIBC	12,997	13,285	29,438	28,308	46.16	58.82
MFY	4,257	3,385	6,618	5,038	10.38	10.47
Fabric and Liner	8,989	4,308	16,120	7,695	25.28	16.00
PP/HD Bags	2,057	1,659	3,626	2,510	5.68	5.22
Others	3,634	1,974	7,972	4,573	12.50	9.49
Total	**31,934**	**24,611**	**63,774**	**48,124**	**100.00**	**100.00**

Financial overview

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2022-23
Net Worth	17,904	18,051
Total Income	63,775	48,125
Profit Before Tax	3,708	265
Net Profit	2,621	414
EBITDA	5,455	1,712
Gross block	27,472	27,862
Debtors Turnover Ratio	10.72	8.61
Inventory Turnover Ratio	5.69	4.77
Interest Coverage Ratio	6.40	1.83
Current Ratio	1.29	1.21
Debt Equity Ratio	0.48	0.49
Operating margin Ratio	5.81	0.55
Net profit margin Ratio	4.09	0.01
EBIDTA %	8.55 %	3.56 %
EPS	12.21	1.93

Future prospects

The Company is currently in the process of setting up a Cast Polypropylene Film (CPP) line which is due to be commissioned by Q2- 2023-24. This is a further step towards diversification for the company and is expected to lead the way for growth. With advanced manufacturing facilities, the Company is geared to meet various industrial bulk packaging needs.

KPL prioritises technological advancements for backward integration and the introduction of innovative products. The Company's unwavering focus on renewable energy will also help drive cost efficiency and sustainability in the future. Additionally, KPL embraces Artificial Intelligence and digitalisation to enhance operational efficiency. The Company is also set to launch CPP film manufacturing in CY 2023.

Opportunities and challenges

Opportunities

- Global economic recovery with the pandemic receding
- Greater demand for Indian products as an alternative to Chinese ones
- Due to its cost-effectiveness compared to alternative packaging options, plastic bulk packaging is becoming more prevalent
- Strategically expanding to offer new packaging solutions
- With exports accounting for 71% of overall revenue, the depreciating rupee would boost revenues.

Challenges

- Fluctuating raw material costs and supply chain expenses
- Intensifying competition
- Unforeseen geopolitical uncertainties may impact commodity prices and the supply chain in the short-term
- Potential challenges arising from escalated interest rates and higher borrowing costs may adversely affect working capital management.

Internal control systems and their adequacy

The Company's strong internal control systems ensure effective governance and compliance. It includes a well-defined organisational structure and comprehensive policies and procedures. A Code of Conduct framework and Whistle-Blower mechanism are also in place, overseen by a dedicated committee. Technology plays a key role, with ERP systems, improving efficiency and control. Regular audits and a centralised Revenue Assurance function strengthen financial controls. The Audit Committee reviews the effectiveness of internal controls regularly. The Company promotes a culture of fairness, transparency, professionalism and ethical behaviour in all its operations. It encourages all Directors and employees to report any concerns or misconduct through its whistle-blower policy, ensuring a safe environment for disclosure.

Risk management

The Company recognises proactive risk assessment as a crucial step in managing risks and safeguarding shareholder value. KPL's risk management approach aims to enhance governance, achieve strategic objectives and prepare for adverse situations. The objective of the policy is for the Board, Audit Committee, and executive management to collectively identify, minimise, and optimise risks through a documented risk management policy or strategy.

The Company has established and adopted a Risk Management policy. Each employee in the organisation is accountable for managing risks by identifying potential risks. The Management takes the lead in developing risk mitigation plans and implementing strategies to reduce risks.

Human resource development

KPL recognises the importance of its human resources for sustained growth. It prioritises people development processes, upgrades skill sets and motivates employees to contribute to organisational goals. Adequate training is provided to empower and encourage the workforce and to help them unleash their full potential. As of 31st March, 2023, KPL has a talent pool comprising 1,341 employees.

Disclaimer

Statements in the Management Discussion and Analysis that describe the Company's objectives, projections, estimates and expectations may be considered 'forward-looking statements' under securities law. Actual results may differ from those expressed or implied. Factors such as economic conditions, price conditions in domestic and overseas markets, competition, government regulations, tax laws and other factors could significantly impact results.

Independent Auditors' Report

To
The Members of
Kanpur Plastipack Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Kanpur Plastipack Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and 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 SAs are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key Audit Matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Treatment of Investment Subsidy received by the Company:

The Company received Subsidy amounting to ₹677.32 Lakhs during the year from the Government, in respect of the investment made by the company in setting up of manufacturing unit at Gajner Road, Kanpur. Since the Unit had started commercial production in earlier years, and the subsidy was in respect of the capital expenditure as well as interest costs incurred by the company, and in view of the alternative accounting approaches prescribed under Ind-AS-20 -Government Grants, the treatment, presentation and disclosure of the Subsidy was identified as a key audit matter and required a higher extent of audit effort.

How our audit addressed the key audit matter

For the matter referred to above, our procedures included, among others, verification of the Subsidy Scheme document, identification/verification of the components and calculation of the subsidy amount and its appropriate accounting/classification in the books of account and financial statements respectively in view of the laid down accounting and measurement principles.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and other auditor's Report thereon.

The other information included in the annual report, are 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 auditors' 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 auditors' 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

(A) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**"; a statement on the matters specified in paragraphs 3 and 4 of the Order.

(B) As required by Section 143(3) of the Act, based on our audit, 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), the Statement of Changes in Equity and the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditors' 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 as at 31st March, 2023 on its financial position in its standalone financial statements.

ii. The Company does not have any long term contracts requiring a provision for material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly

or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in note 30 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Reg. No. 002253C

Anjani Kheterpal
(Partner)
M.No.401701
UDIN- 23401701BGYDRZ2167

Kanpur, 26th May, 2023

Annexure "A"

To The Independent Auditors' Report

(Referred to in Para 1 under 'Report on Other legal and Regulatory Requirements' section of our report of even date)

Re: Kanpur Plastipack Limited, we report that:

(i) a. (A) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(B) The company is maintaining proper records showing full particulars of intangible assets.

b. The company has a regular programme for physical verification of all assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, it is reasonable having regard to the size of the company and the nature of its assets.

c. According to the information and explanations given to us and the records examined by us and based on copies of the registered sale deeds/transfer deeds etc. evidencing title in immovable properties which are freehold, we report that the immovable properties capitalized in the books of account of the company are held in its name. The original title deeds, being pledged against loans secured from the bank, were not in possession of the company and therefore could not be verified. However certified copies of the title deeds were verified.

d. The company has not revalued any of its property, plant and equipment (including right-to-use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

(ii) a. As explained to us, the inventory (except for goods-in-transit),has been physically taken by the management during the year at all the factory premises and accompanying warehouses of the company. In our opinion, the coverage and procedures of such verification by the management are appropriate having regard to the size of the Company and the nature of its operations. On the basis of the report of physical stock verification conducted by the Management of the company, we report that no discrepancy of 10% or more were noticed, and the minor discrepancies noticed on such verification were properly dealt with in the books of account.

b. The company has been sanctioned working capital limits in excess of rupees five crores, in aggregate from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of closing stock of inventory, receivables and payables filed by the Company with such bank are in agreement with the audited books of account of the Company.

(iii) The Company has made investments in subsidiary companies during the year.

(a) The Company has not provided any loans or advances in the nature of loans (except staff loans/advances to employees) or stood guarantee, or provided security to any companies, firms, limited liability partnerships or other entity during the year, and hence reporting under clause 3(iii)(a) parts (A) and (B) of the Order are not applicable.

(b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company has not provided any loans or advances (except staff loans/advances to employees) in the nature of loans or stood guarantee, or provided security to any companies, firms, limited liability partnerships or other entity during the year, and hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order are 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 Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits. As per the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or Tribunal. Hence, reporting under clause (v) of the Order is not applicable.

(vi) In our opinion and according to the information and explanations given to us, the company is liable for maintenance of cost records u/s 148 of the Companies Act, 2013 and on the basis of a broad review of the books of account maintained by the Company, we are of the opinion that the company is prima facie maintaining such records on a regular basis, as specified under the Companies (Cost Records & Audit) Rules 2014. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, income tax, sales tax, wealth tax, service tax, & customs duty and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, customs duty, VAT, cess and other material statutory dues were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) As per the information and explanations given to us and on the basis of the verification of the records of the company, the details of statutory dues which have not been deposited on account of disputes are as under:

Name of the Statute	Nature of dues	Pending Amount ₹ in Lakhs	Period to which amount relates	Forum where dispute is pending	Remarks
Central Sales Tax Act, 1956	Central Sales Tax	0.53	FY 2009-10	Allahabad High Court	The total demand raised was ₹3.52 lakhs. An amount of ₹2.99 lakhs stands deposited under protest.
Central Sales Tax Act, 1956	Central Sales Tax	0.23	FY 2010-11	Jt.Commissioner, Corporate Circle-1, Kanpur	The total demand raised was ₹2.69 lakhs. An amount of ₹2.45 lakhs stands deposited under protest. The matter has been decided in the company's favour and remanded to the Assessing Authority for consideration by the Commissioner (Appeals)
Income Tax Act, 1961	Return processed u/s 143(1) of the Act	21.64	AY 2018-19	Central Processing Centre	The company has moved an application u/s 154 of the Act against the said demand.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the company has applied term loans for the purposes for which the same were availed.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the company has not raised loans during the year on pledge of securities held in its subsidiaries.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, no whistle blower complaints were received by the Company during the year (and upto the date of this report) and hence reporting under clause 3(xi)(c) of the Order is not applicable

(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, the company has complied with Sections 177 and Section 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Reg. No. 002253C

Anjani Kheterpal
(Partner)
M.No.401701

Kanpur, 26th May, 2023

Annexure "B"

To The Independent Auditors' Report

(Referred to in Para 2(f) under 'Report on Other legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to financial statements of Kanpur Plastipack Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information, and according to the explanations given to us, the company has, in all material aspects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note of Audit of International Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Financial Statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

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

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Reg. No. 002253C

Anjani Kheterpal
(Partner)
M.No.401701

Kanpur, 26th May, 2023

Standalone Balance Sheet

as at 31st March, 2023

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets :			
Property, Plant and Equipment	3	20,406.42	20,956.03
Capital Work-in-Progress	3	3,636.03	203.74
Other Intangible Assets	3	–	–
		24,042.45	**21,159.77**
Long Term Investments	4	921.13	764.98
Other Financial Assets	5	299.67	303.96
Other Non-Current Assets	6	584.29	887.21
		1,805.09	**1,956.15**
Current Assets :			
Inventories	7	8,280.76	11,718.90
Financial Assets :			
Current Investments	8	15.85	17.40
Trade Receivables	9	4,957.99	6,112.36
Cash and Cash Equivalents	10	53.83	23.15
Other Bank balances	11	219.78	252.25
Other Current Assets	12	1,239.69	755.68
Current Tax Assets (Net)		129.20	43.61
		14,897.10	**18,923.35**
Total Assets		**40,744.64**	**42,039.27**
EQUITY & LIABILITIES :			
Equity :			
Equity Share capital	13	2,147.38	2,147.38
Other Equity	14	15,903.42	15,756.74
		18,050.80	**17,904.12**
LIABILITIES :			
Non-Current liabilities			
Financial Liabilities :			
(i) Long Term Borrowings	15	7,295.66	6,845.02
(ii) Other Non Current liabilities	15	–	–
Long Term Provisions	16	766.79	700.27
Deferred Tax Liabilities	17	1,740.31	1,944.46
Other Non Current Liabilities	17A	552.15	–
		10,354.91	**9,489.75**
Current Liabilities :			
Financial Liabilities :			
Borrowings	18	9,267.66	11,424.76
Trade Payables			
– Total Outstanding dues of Creditors other than micro and small enterprises	19	1,337.83	1,428.67
– Total Outstanding dues of micro and small enterprises	19	96.14	82.63
Provisions	20	571.64	579.14
Other Current Liabilities	21	1,065.66	1,130.20
		12,338.93	**14,645.40**
Total Equity & Liability		**40,744.64**	**42,039.27**
Significant Accounting Policies and Notes to Accounts	1-2		

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Standalone Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Revenue from Operations	22	47,685.43	62,507.34
Other Income	23	439.13	1,267.39
Total Income		**48,124.56**	**63,774.73**
Expenses			
Cost of materials consumed	24	26,743.79	35,455.37
Purchase of stock-in-trade	25	1,517.53	3,760.94
Changes in inventories of Finished Goods, Stock in Trade and Work in Progress	26	1,443.19	(1,380.70)
Emloyee Benefit Expense	27	5,526.99	5,750.51
Depreciation, Amortisation and Impairment expense	3	1,127.54	1,060.60
Other Expenses	28	10,278.32	14,004.62
Finance Costs	29	1,221.96	1,415.32
Total Expenses		**47,859.32**	**60,066.66**
Profit/(Loss) before Exceptional Items and Tax		**265.24**	**3,708.07**
Exceptional items		–	–
Profit/(Loss) before Tax		**265.24**	**3,708.07**
Income Tax Expense			
Current tax		40.58	681.06
Earlier Year Tax Adjustments		16.31	4.14
Deferred Tax		(205.52)	401.66
Profit/(Loss) for the year from Continuing Operations		**413.87**	**2,621.21**
PROFIT/(LOSS) FOR THE YEAR		**413.87**	**2,621.21**
Other Comprehensive Income			
A. Items that may be reclassified to profit or loss		–	–
Income Tax relating to these Items		–	–
B. Items that will not be reclassified to profit or loss (Gratuity Provision debited in P&L A/C)		8.22	50.75
Income Tax relating to these Items		1.37	14.78
Other Comprehensive Income/(Loss) for the Year (Net of Tax)		**(9.59)**	**(65.53)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**404.28**	**2,555.68**
Earnings per Share			
Basic EPS		1.93	12.21
Diluted EPS		1.93	12.21

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Standalone Cash Flow Statement

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
I) CASH FROM OPERATIONS		
A. PROFIT BEFORE TAX	265.24	3,708.07
B. ADJUSTEMENTS:		
Depreciation	1,127.54	1,060.60
Provision under OCI	(8.22)	(50.75)
Loss/(Profit) on disposal of PPE, intangible assets & non-current assets held for sale	202.98	30.73
Interest Income	(110.48)	(125.47)
Finance Costs	1,221.96	1,415.32
Loss/(Profit) on sale of mutual funds	(0.26)	(0.32)
Gain on Revaluation of Investments	(0.61)	(0.34)
Operating Profit Before working capital changes	**2,698.15**	**6,037.84**
Adjustments for Changes in working Capital		
Decrease/(Increase) in Inventories	3,438.14	(1,457.04)
Decrease/(Increase) in Trade Receivable	1,154.37	(559.71)
Decrease/(Increase) in other Current Assets	(569.60)	573.73
Decrease/(Increase) in other Non Current Assets	302.92	(412.79)
Decrease/(Increase) in other Financial Assets	4.29	(1.17)
Increase/(Decrease) in Trade Payables	(77.33)	(171.48)
Decrease/(Increase) in other Other Bank Balances	32.47	(106.97)
Increase/(Decrease) in Current Liabilities	(64.54)	(619.88)
Increase/(Decrease) in Provisions	(7.50)	54.64
Increase/(Decrease) in Long term Provisions	66.52	126.42
Cash Generated from/(used) in Operations	**6,977.89**	**3,463.59**
Less: Income Tax Paid (including TDS)	56.89	685.20
NET CASH FROM OPERATIONS	**6,921.00**	**2,778.39**
II) CASH FROM INVESTING ACTIVITIES		
Purchase of PPE & Intangible assets (incl. Capital WIP)	(4,243.89)	(3,535.43)
Other Investments	(156.15)	(265.00)
Investments in Mutual Funds (Net)	2.42	21.27
Sale of PPE & Intangible assets	30.69	4.02
Loans Given to Subsidary	–	–
Interest Received	110.48	125.47
NET CASH FROM/USED IN INVESTMENT ACTIVITIES	**(4,256.45)**	**(3,649.67)**

Standalone Cash Flow Statement

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
III) CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	–	–
Net Increase/(Decrease) in long term borrowings	1,002.79	1,034.28
Net Increase/(Decrease) in short term borrowings	(2,157.10)	1,392.10
Payment of dividend	(257.60)	(400.75)
Finance Costs	(1,221.96)	(1,415.32)
NET CASH FROM FINANCING ACTIVITIES	**(2,633.87)**	**610.31**
Net Increase in cash and cash equivalents	**30.68**	**(260.97)**
Cash and Cash equivalents as at the beginning of the year	**23.15**	**284.12**
Cash and Cash equivalents as at the end of the Year	**53.83**	**23.15**

Notes :

1 The Cash Flow Statement has been prepared in accordance with the "Indirect Method"specified in the Ind-AS-7- "Statement of Cash Flows".

2 Cash & Cash equivalents comprise cash balances and balances with banks, including current deposit account and short term fixed deposits having original maturity period of three months only.

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance at the beginning of the reporting period	Nos.	Amount
As at 31st March, 2021	**1,43,12,564**	**1,431.96**
Add: Issue of Bonus Shares	71,54,194	715.42
As at 31st March, 2022	**2,14,66,758**	**2,147.38**
Add:	–	–
As at 31st March, 2023	**2,14,66,758**	**2,147.38**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and Surplus				Total
Balance at the beginning of the reporting period	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
As at 31st March, 2021	**200.00**	**1,507.08**	**124.34**	**12,485.81**	**14,317.23**
Profit for the Year	–	–	–	2,621.21	2,621.21
Other Comprehensive Income For the Year	–	–	–	(65.53)	(65.53)
Total Comprehensive Income For the Year	**–**	**–**	**–**	**2,555.68**	**2,555.68**
Dividends					
Interim Dividend	–	–	–	(143.13)	(143.13)
Final Dividend	–	–	–	(257.62)	(257.62)
Corporate Dividend Tax	–	–	–	–	–
Transfer from retained earnings to general reserve	–	–	–	–	–
Addition on issue of Equity (Bonus Shares)	–	(715.42)	–	–	(715.42)
Transfer from General Reserve to Capital Redemption Reserve	–	–	–	–	–
Premium Received During the Year	–	–	–	–	–
Expense Incurred on Right Issue	–	–	–	–	–
As at 31st March, 2022	**200.00**	**791.66**	**124.34**	**14,640.74**	**15,756.74**
Profit for the Year	–	–	–	413.87	413.87
Other Comprehensive Income For the Year	–	–	–	(9.59)	(9.59)
Total Comprehensive Income For the Year	**–**	**–**	**–**	**404.28**	**404.28**
Dividends					
Interim dividend	–	–	–	–	–
Final Dividend	–	–	–	(257.60)	(257.60)
Corporate Dividend Tax	–	–	–	–	–
Transfer from retained earnings to general reserve	–	–	–	–	–
Transfer on issue of Equity (Bonus Shares)	–	–	–	–	–
Transfer from General Reserve to Capital Redemption Reserve	–	–	–	–	–
Premium Received During the Year	–	–	–	–	–
Expense Incurred on Right Issue	–	–	–	–	–
As at 31st March, 2023	**200.00**	**791.66**	**124.34**	**14,787.42**	**15,903.42**

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023

NATURE AND PURPOSE OF RESERVES

Capital Redemption Reserve- As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Securities Premium Account- The same is created when Shares/securities are issued by the company at a value which is higher than the face value/nominal value of such shares/securities. The amount representing such excess i.e the premium is transferred to the Securities Premium Account in accordance with the provisions of section 52 of the Companies Act, 2013. The balance in this reserve is utilised in accordance with the provisions of the said Section 52 of the Act.

For and on behalf of the Board of Directors

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Place: Kanpur
Date: 26th May, 2023

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 1 : COMPANY OVERVIEW

Kanpur Plastipack Limited ('KPL' or 'The Company') is a Public Limited company, domiciled in India and incorporated on 26th July, 1971 under the provisions of the Companies Act, 1956 (Now Companies Act, 2013) and having its registered office at D-19-20, Panki Industrial Area Kanpur, Uttar Pradesh-208022, India. The Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The details of the Company are as below:-

CIN No.: - L25209UP1971PLC003444

Registered Address:- D-19-20 Panki Industrial Area
Kanpur, Uttar Pradesh UP-208022

Phone Number: +91 512 2691113–116

Official Email ID:- secretary@kanplas.com

Website:- https://www.kanplas.com

The company is a two star export house, engaged in manufacturing of HDPE/PP Woven Sacks, PP Box Bags, Flexible Intermediate Bulk Containers (FIBC's), Fabrics and High Tenacity PP Multi Filament Yern (MFY). The company is also a Consignment Stockiest of M/s Indian Oil Corporation Limited and owns and operates solar power generation facility at A-1/A-2, Panki Industrial Area, Kanpur.

The company is in the process of setting up of a manufacturing plant for production of Cast Polypropylene (CPP) at Gata No. 128, 129, 141, 142, Village Shyampur Raipur Gajner Road, Fatehpur Roshanai, Kanpur Dehat, Uttar Pradesh, 209121 Kanpur. The Plant is expected to commence commercial operations in the next year.

These Financial Statements were authorized by the Board of Directors for issue in accordance with the Resolution passed on 26th May, 2023.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance: These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

1.2 Basis of Preparation, Measurement and Presentation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended; and the other relevant provisions of the Acts and Rules thereunder.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i) Certain financial assets and liabilities that are measured at Fair Value Through Profit or Loss (FVTPL)

ii) Defined benefit plans-plan assets/liabilities measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The statement of cash flows have been prepared under the indirect method.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to nearest lakhs (₹ 00,000), except where otherwise indicated.

1.3 CURRENT V. NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for purpose of trading.
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its general operating cycle.

1.4 Use of Estimates, Assumptions and Judgements: The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments:

In the process of applying the Company's accounting policies, management has made the following judgments, which have a significant effect on the amounts recognized in the financial statements:

i. Recoverability of Debts/advances

The company has several debts outstanding in the ordinary course of business, some of which remain outstanding beyond their due date. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such debts/ advances to be good and recoverable and classified the same as Current Assets.

ii. Estimates:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

iii. Taxes, including Evaluation of recoverability of Deferred tax assets and liabilities:

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the company.

iv. Gratuity benefit:

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuation. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

v. Fair value measurement of financial instrument:

The fair value of financial assets and financial liabilities recorded in the balance sheet has been arrived at on the basis of the quoted prices in active markets, wherever available. For such financial assets and financial liabilities which cannot be measured based on quoted prices in active markets, their fair value is measured using other accepted valuation techniques. Changes in assumptions used in applying these methods could affect the reported fair value of financial instruments.

vi. Warranty provision/Quality Claim

Provision for quality claims is determined based on the historical percentage of claims' expense to sales for the same types of goods for which the claim is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the expected claim expense to be accrued. It is adjusted to account for unusual factors, if any. It

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

is very unlikely that actual claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

vii. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

viii. Provisions and Contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Judgements include estimating the probability of the cash outflows for the present obligations and accordingly provisions are determined and reviewed at the end of each reporting period and are adjusted to reflect current best estimates.

The Company uses significant judgement to identify and measure contingent liabilities. Contingent liabilities are 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities in relation to assessment/litigations can involve complex issues, which can only be resolved over extended time periods.

1.4 Property, Plant and Equipment

i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

ii) The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes, if any), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

iii) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv) Spare parts which meet the definition of Property, plant and equipment are capitalized as Property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.

v) An item of Property, plant and equipment and any significant part initially recognized separately as part of Property, plant and equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in the Statement of Profit and Loss on consumption.

vi) The residual value and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

vii) In the earlier years, the Company had elected to use exemption available under Ind AS 101 to continue with the carrying value for all its Property, Plant and Equipment as recognized in the financial statements as at the date of transition to Ind-ASs, measured as per previous GAAP and use that as its deemed cost as at the transition date.

viii) Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

ix) Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and/or in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives for various categories of property, plant and equipment are as given below:

Sl. No.	Description	Useful Life as per Schedule II of the Companies Act, 2013	Useful life
1.	Office Buildings	60 years	60 years
2.	Factory Buildings	30 years	30 years
3.	Plant and equipment qualifying as Continuous Process Plant	25 years	25 years

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

Sl. No.	Description	Useful Life as per Schedule II of the Companies Act, 2013	Useful life
4.	Other Plant and Equipment for three shift working (Useful life is estimated for a three shift working)	Single shift-15 years Triple Shift-7.5 years	15 years / 7.5 years
5.	Other Equipment	10 years	5 years
6.	Furniture and fittings	10 years	10 years
7.	Office equipment	05 years	05 years
8.	Vehicles- Four wheelers	08 years	08 years
9.	Vehicles- Two wheelers	10 years	10 years
10.	Computers and peripherals	Servers-06 years Others-03 years	03 years
11.	Computer software	As per Ind-AS 38	03 years

x) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

xi) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

xii) Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

1.5 Inventories:

i. Basis of Valuation: Inventories are stated at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

ii. Method of Valuation: Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis.

iii. The inventories of finished goods, which were in transit or lying at port as at the reporting date have been valued at lower of cost and market value. The cost has been worked out as per the Retail Method.

The inventories have been physically taken by the management periodically during the year.

1.6 Revenue Recognition:

The company derives its revenues primarily from sale of merchandise and C&F commission agency services.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding central taxes or duties collected on behalf of the Government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are net of returns, trade discounts, rebates, but including Goods and Services Tax collected on behalf of the Government. However, the GST collected and paid has been shown as a deduction under the heading 'Revenue from Operations' and only the net Revenue from Operations has been stated in the Statement of Profit and Loss.

The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognized:

a) Sale of goods:

a. Inland sales have been accounted for at the time of dispatch of goods from the factory.

b. Export Sales have been recognized only after the company loses control over the material i.e. once the goods have been shipped on board.

c. Sales have been recorded net of rebates and trade discounts but are grossed up for Goods and Services Tax collected thereon.

b) Commission Income

Commission income is recognized to the extent it is probable that economic benefits will flow to the company and the revenue can be reliably measured and the company has contractual right to such revenue.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

c) Interest Income

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

1.7 Employee Benefits:

Short term employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as an expense, when an employee renders related services.

Other long term employee benefits

The company does not have any structured Employee's Gratuity Fund Scheme. However, the Company has a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment in accordance with "The Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Company. The liabilities with respect to Gratuity Plan are determined by actuarial valuation. The Company does not make any contributions and meets its gratuity liability from its own sources as and when the claims arise.

1.8 Investments in subsidiaries, associates and other uncontrolled structured entities

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

1.9 Government Grants:

- Government Grants are recognised at their realizable value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.
- Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses.
- Government grants related to property, plant and equipment are recognised as deferred income.

1.10 Borrowing Costs

- Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs
- Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowings costs are charged to the Statement of Profit and Loss.

1.11 Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (₹) which is also the Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the prescribed exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the period in which they arise.

1.12 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

1.13 Offsetting of financial Assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.14 Taxes

Tax expense for the year comprises of current tax and deferred tax.

a) Current Tax

(i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

(ii) Current income tax relating to item recognised outside the Statement of Profit and Loss is recognised outside Profit or Loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

1.15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share consolidation, without a corresponding change in resources, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares, if any.

The partly paid up equity shares, if any, are treated as potential equity shares in accordance with Ind-AS 33, for the period for which the same remained partly paid up.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

1.16 Provisions, Contingent Liabilities and Contingent Assets:

(i) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

(iii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in provision due to the passage of time is recognized as a finance cost.

(iv) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

(v) Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

(vi) A contingent asset is a possible asset 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 recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

1.17 Several debit and credit balances are subject to confirmation by parties.

1.18 Cash Dividend to Equity shareholders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

1.19 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

1.20 Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount

1.21 Leases- 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.

Company as a lessee

In respect of the Operating Lease which are of a long term nature or of a significant value, the Company recognises right-of-use the asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the company's depreciation policy for Property, Plant and Equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. None of the lease arrangements of the company qualified for the above said treatment owing to the fact that the same were of a short term nature and/or of a value which was not considered material.

1.22 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker; which is the committee constituted by the Managing Director, The Dy.Managing Director and the Executive Director of the Company.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

1.23 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured in accordance with Ind-AS 113, using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. , described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The quantitative disclosures of fair value measurement hierarchy are contained in Note No.40.

RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below.

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their "material accounting policies' rather than their "significant accounting policies". Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes forming part of the Standalone Financial Statements

as at 31st March, 2023

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Lease Hold Land	Freehold Land	Buildings	Vehicles	Furniture & Fittings	Office Equipment	Plant & Machinery	Grand Total	Intangible Assets	Capital Work In Progress
AT COST										
Cost as at 01st April, 2021	384.88	728.41	6,349.03	511.97	336.18	474.24	15,387.68	24,172.39	73.88	230.02
Additions	–	1,214.66	536.23	23.23	63.30	72.61	1,651.68	3,561.71	–	287.68
Disposals/Transfer	–	–	–	7.59	10.38	78.74	239.00	335.71	–	313.96
Cost as at 01st April, 2022	**384.88**	**1,943.07**	**6,885.26**	**527.61**	**389.10**	**468.11**	**16,800.36**	**27,398.39**	**73.88**	**203.74**
Additions	–	53.14	25.46	0.98	44.85	86.90	600.27	811.60	–	4,190.75
Disposals/Transfer	–	–	–	6.81	–	0.75	340.90	348.46	–	758.46
As at 31st March, 2023	**384.88**	**1,996.21**	**6,910.72**	**521.78**	**433.95**	**554.26**	**17,059.73**	**27,861.53**	**73.88**	**3,636.03**
Depreciation as at 01st April, 2022	73.82	–	1,208.61	219.57	137.02	346.99	4,456.35	6,442.36	73.88	–
Charge for the Year	4.87	–	216.12	58.00	38.21	61.69	748.65	1,127.54	–	–
Transfers	–	–	–	3.57	–	0.07	111.15	114.79	–	–
As at 31st March, 2023	**78.69**	**–**	**1,424.73**	**274.00**	**175.23**	**408.61**	**5,093.85**	**7,455.11**	**73.88**	**–**
NET CARRYING AMOUNT										
As at 31st March, 2022	**311.06**	**1,943.07**	**5,676.65**	**308.04**	**252.08**	**121.12**	**12,344.01**	**20,956.03**	**–**	**203.74**
As at 31st March, 2023	**306.19**	**1,996.21**	**5,485.99**	**247.78**	**258.72**	**145.65**	**11,965.88**	**20,406.42**	**–**	**3,636.03**

(a) Details of property, plant and equipment pledged against borrowings is presented in note 15 & 18.

(b) **Ageing Schedule for Capital Work - In - Progress:-**

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of									
	Less than 1 year		1-2 years		2-3 years		More than 3 years		Total	
Particulars	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
- Projects in progress										
New Project- Cast Polypropylene (CPP) film	3,216.38	190.87	–	–	–	–	–	–	**3,216.38**	**190.87**
Upgradation/Extention in Existing facilities	419.65	12.87	–	–	–	–	–		**419.65**	**12.87**
Total	**3,636.03**	**203.74**	**–**	**–**	**–**	**–**	**–**	**–**	**3,636.03**	**203.74**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 4 : LONG TERM INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1. Investment in Equity Shares		
(Unquoted Equity Shares, Valued at Cost)		
Investment in Uncontrolled Structured Companies	299.98	299.98
(Amplus Green Power Pvt. Ltd. Representing 3.75% Equity Shares)		
(1719061 (PY-1719061) Eq. Shares of ₹10/- each fully paid up)		
Investment in Subsidiaries	–	–
Bright Choice Ventures Private Limited	200.00	200.00
(2000000 (PY-2000000) Eq. Shares of ₹10/- each fully paid up)		
Kanplas Earning Solutions Private Ltd.	75.00	25.00
(750000 (PY-250000) Eq. Shares of ₹10/- each fully paid up)		
Kanplas Do Brazil Ltda.	96.15	–
(640680 (PY-NIL) Eq. Shares of 1 Brazilian Real each fully paid up)		
2. Investment in Preference Shares		
Investment in Subsidiaries		
(Unquoted Preference shares, valued at cost)		
Bright Choice Ventures Private Limited		
(2500000 (PY-2400000) Pref. Shares of ₹10/- each fully paid up)	250.00	240.00
	921.13	**764.98**

Investment In Subsidiary

The details of investment in Subsidiaries are as under:

(₹ in Lakhs)

Name	No. of Shares	22-23		21-22	
		No. of Shares	% Holding	No. of Shares	% Holding
Bright Choice Ventures (P) Ltd.*	Equity Shares	20,00,000	100%	20,00,000	100%
Bright Choice Ventures (P) Ltd.*	6% Non cumulative, optionally convertible Preference Shares	25,00,000	100%	24,00,000	100%
Kanplas Earning Solutions (P) Ltd.**	Equity Shares	7,50,000	100%	2,50,000	100%
Kanplas Do Brazil Ltda.***	Equity Shares	6,40,680	100%	–	–

*The Subsidiary was incorporated on 02/01/2021.

**The Subsidiary was incorporated on 21/05/2021.

*** The Subsidiary was incorporated on 26/04/2022

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 5 : OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Secured, Considered Good :		
(b) Unsecured, Considered Good		
(i) Other Deposits		
– Stamp Duty paid Under Protest	29.07	29.07
– Security Deposits to Govt. & Others	270.60	274.89
	299.67	**303.96**
(c) Doubtful	–	–
	299.67	**303.96**

NOTE 6 : OTHER NON-CURRENT ASSETS

(Unsecured , Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	578.84	881.76
VAT Recoverable (Taxes under protest)	5.45	5.45
	584.29	**887.21**

CURRENT ASSETS :

NOTE 7 : INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Raw Material	3,431.12	5,081.62
2 Raw Material (in Transit)	31.51	329.64
3 Goods -in-Process	2,421.80	2,964.68
4 Finished Goods (including goods lying at port)	1,986.87	2,887.18
5 Stores & Spares/ Others	409.46	455.78
	8,280.76	**11,718.90**

NOTE 8 : CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments at Fair Value Through Profit or Loss		
Investment in Mutual Funds (Cost as at 31/03/2023 ₹14.87 Lacs (PY ₹ 17.00 Lacs)	15.85	17.40
	15.85	**17.40**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 9 : TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Secured Trade Receivables- considered Good	–	–
- Un-Secured Trade Receivables- considered good	4,957.99	5,729.91
- Trade Receivables which have significant increase in credit risk	–	382.45
- Trade Receivables - Credit impaired	–	–
	4,957.99	**6,112.36**

Trade Receivables Ageing Schedule

(₹ in Lakhs)

Particulars		Outstanding for following periods from the date of the transaction					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	CY	4,831.46	124.53	0.86	–	1.14	4,957.99
	PY	5,718.34	9.61	0.32	1.64	–	5,729.91
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	CY	–	–	–	–	–	–
	PY	382.45	–	–	–	–	382.45
(iii) Undisputed Trade Receivables – credit impaired	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(iv) Disputed Trade Receivables– considered good	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit impaired	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
Total	**CY**	**4,831.46**	**124.53**	**0.86**	**–**	**1.14**	**4,957.99**
	PY	**6,100.79**	**9.61**	**0.32**	**1.64**	**–**	**6,112.36**

NOTE 10 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	2.44	3.34
Balances with Banks:		
Current Accounts	51.39	19.81
	53.83	**23.15**

NOTE 11 : OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balances with banks		
Unclaimed dividend balances with bank	42.20	55.79
FDRs held as Margin Money with Banks	177.58	196.46
	219.78	**252.25**

The Fixed Deposits with Banks are in the nature of margin money towards LC and BG Limits

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 12 : Other Current Assets :

SHORT-TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Income Tax Refund Receivable	93.04	64.68
(b) Others loans & advances considered good		
1 Advance to Staff	52.95	48.73
2 Pre-paid Expenses	172.71	175.01
3 Advances to Suppliers & Others	103.76	191.61
4 Refundable Share Application Money	5.48	–
5 Interest Recoverable	16.17	19.46
6 Custom Duty/Electricity Duty Refundable	292.70	0.02
7 GST Recoverable		
(i) GST Refundable	–	22.23
(ii) ITC Receivable	483.12	233.94
8 Security deposits with Govt and Others	19.76	–
	1,239.69	**755.68**

EQUITY & LIABILITIES :

NOTE 13 : EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Authorised Capital		
300 Lakhs (PY 200 Lakhs) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
20 Lakhs (PY 20 Lakhs) Preference Shares of ₹ 10/- each	200.00	200.00
	3,200.00	**3,200.00**
A. Issued, Subscribed and Paid-up Capital		
21466758 Equity Shares of ₹ 10/- each fully called and paid up		
(i) 21466758 (Previous years 14312564) Equity Shares of ₹ 10/- each each fully paid up	2,146.68	1,431.26
(ii) CY NIL (Previous years 7154194) Equity Shares of of ₹ 10/- each each fully paid up issued as Bonus	–	715.42
(iii) Share Forfeiture Account (14081 Shares called up ₹ 10/- each and paid up ₹ 5/- each)	0.70	0.70
	2,147.38	**2,147.38**

B. Terms and Rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees only in proportion to the paid up value of the equity shares.

The final dividend if any 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 holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 13 : EQUITY SHARE CAPITAL (Contd..)

C. Reconciliation of number of equity shares outstanding as at the beginning and end of the year:

(₹ in Lakhs)

PARTICULARS	Number of Shares	Amount
Outstanding as at 31st March, 2021	1,43,12,564	1,431.26
Equity Shares Issued during Financial Year ended 31st March, 2022 for Cash consideration	–	–
Equity Shares Issued during Financial Year ended 31st March, 2022 as Bonus Issue	71,54,194	715.42
Outstanding as at 31st March, 2022	2,14,66,758	2,146.68
Equity Shares Issued during Financial Year ended 31st March, 2023 for Cash consideration	–	–
Outstanding as at 31st March, 2023	**2,14,66,758**	**2,146.68**

D. Details of shareholders holding more than 5% shares in the Company is set out below

(representing legal and beneficial ownership):

(₹ in Lakhs)

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Mahesh Swarup Agarwal	32,63,601	15.20%	34,63,601	16.13%
Usha Agarwal	31,14,799	14.51%	30,14,799	14.04%
Manoj Agarwal	21,39,784	9.97%	20,36,784	9.49%
Shashank Agarwal	17,86,846	8.32%	16,35,846	7.62%
MSA Investments & Trading Co. Private Limited	14,22,189	6.63%	14,22,189	6.63%
KSM Exports Limited	11,30,151	5.26%	11,30,151	5.26%

E. Details of Promoters' shareholdings in the Company is set out below

(representing legal and beneficial ownership):

(₹ in Lakhs)

Shares held by promoters at the end of the year		Number of shares held		% of holding		% Change during the year
S. No.	Promoter name	21-22	22-23	21-22	22-23	
1	MAHESH SWARUP AGARWAL	34,63,601	32,63,601	16.13%	15.20%	–0.93%
2	USHA AGARWAL	30,14,799	31,14,799	14.04%	14.51%	0.47%
3	MANOJ AGARWAL	20,36,784	21,39,784	9.49%	9.97%	0.48%
4	SHASHANK AGARWAL	16,35,846	17,86,846	7.62%	8.32%	0.70%
5	MANOJ AGARWAL HUF	6,06,665	2,00,000	2.83%	0.93%	–1.90%
6	ALKA JAIN*	5,22,247	–	2.43%	–	–2.43%
7	MANJARI AGARWAL	5,09,788	5,66,453	2.37%	2.64%	0.27%
8	JAYATIKA GOYAL*	4,05,000	–	1.89%	–	–1.89%
9	KANIKA MAHADEVWALA*	3,17,250	–	1.48%	–	–1.48%
10	KAIRA AGARWAL	2,00,000	2,00,000	0.93%	0.93%	–
11	REYAANSH AGARWAL	–	2,00,000	–	0.93%	0.93%
12	SHASHANK AGARWAL HUF	1,50,200	1,50,200	0.70%	0.70%	–

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 13 : EQUITY SHARE CAPITAL (Contd..)

(₹ in Lakhs)

Shares held by promoters at the end of the year		Number of shares held		% of holding		% Change during the year
S. No.	Promoter name	21-22	22-23	21-22	22-23	
13	MA PRIVATE FAMILY TRUST	55,653	76,153	0.26%	0.35%	0.09%
14	UA PRIVATE FAMILY TRUST	36,900	36,900	0.17%	0.17%	–
15	SHASHANK PRIVATE FAMILY TRUST	26,175	29,748	0.12%	0.14%	0.02%
16	MSA INVESTMENT AND TRADING COMPANY PVT LTD	14,22,189	14,22,189	6.63%	6.63%	–
17	KSM EXPORTS LIMITED	11,30,151	11,30,151	5.26%	5.26%	–
18	KPL PACKAGING PVT LTD	2,415	2,415	0.01%	0.01%	–
19	RAGHUSHREE EARNING SOLUTIONS LLP	1,589	6,556	0.01%	0.03%	0.02%
		1,55,37,252	**1,43,25,795**	**72.37%**	**66.73%**	**–5.64%**

*Consequent to the order of Stock Exchanges (BSE and NSE) dated 30/09/2022 shareholding has been re-classified from promoters group category to public category.

NOTE 14 : OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. SECURITIES PREMIUM ACCOUNT		
Balance at the beginning of the year	791.66	1,507.08
Less: Deduction/Transfer	–	715.42
Balance as at the end of the year	**791.66**	**791.66**
B. CAPITAL REDEMPTION RESERVE		
Balance at the beginning of the year	200.00	200.00
Add: Transfer from Retained Earnings	–	–
Balance as at the end of the year	**200.00**	**200.00**
Nature & Purpose of the Reserve is as under :		
The reserve was created in term of Sec 55 of the Companies Act, 2013 towards redemption of Preference Shares. An amount equal to nominal value of the shares redeemed was transfered to this reserve out of the profits. The reserve can be utilised for issue of bonus shares		
C. GENERAL RESERVE		
Balance at the beginning of the year	124.34	124.34
Add: Transfer from Retained Earnings	–	–
Less: Transferred to Capital Redemption Reserve	–	
Balance as at the end of the year	**124.34**	**124.34**
D. FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the year	–	–
Add: Transfer from Retained Earnings	–	–
Less: Transfer to Retained Earnings	–	–
Balance as at the end of the year	**–**	**–**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 14 : OTHER EQUITY (Contd..)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
E. RETAINED EARNINGS		
Balance at the beginning of the year	14,640.74	12,485.81
Add: Net Profit/(Loss) for the Year as per the Statement of Profit & Loss	404.28	2,555.68
	15,045.02	**15,041.49**
Less:		
(i) Transferred To Foreign Currency Translation Reserve	–	–
(ii) Final Dividend on Equity Shares paid during the Year	257.60	257.62
(Amount per share ₹ 1.20/- , Previous Year ₹ 1.80 /- per Equity Share)		
(iii) Interim Dividend on Equity Shares paid during the Year for current year	–	143.13
(Amount per share ₹ NIL , Previous Year ₹ 1.00 /- per Equity Share)		
	257.60	**400.75**
Balance as at the end of the Year	14,787.42	14,640.74
	15,903.42	**15,756.74**

NOTE 15 : LONG TERM BORROWINGS :

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Term Loans from banks (Secured)	7,292.59	6,835.00
Vehicle Finance under Hire purchase	3.07	10.02
	7,295.66	**6,845.02**

15.1 Term Loans from State Bank of India in INR , Balance Outstanding is ₹ 4367.30 Lakhs, (Previous Year ₹ 1718.38 Lakhs).
Foreign Currency Term Loan (USD) from State Bank of India, Balance NIL (PY 2103.40 Lakhs).

15.2 Term Loans from HDFC Bank Ltd. INR , Balance Outstanding is ₹ 1744.47 Lakhs, (Previous Year ₹ 26.57 lakhs).
Foreign Currency Term Loan (USD) from HDFC Bank Ltd., Balance NIL (PY ₹ 2802.27 lakhs).

15.3 Term Loans from AXIS Bank Ltd. INR , Balance Outstanding is ₹ 2767.91 Lakhs, (Previous Year ₹ 470.75 lakhs).
Foreign Currency Term Loan (USD) from AXIS Bank Ltd., Balance ₹ NIL (PY 1520.63 Lakhs).

15.4 The above Term Loans are secured by the assets created through the respective loans, including immovable assets of the company situated at Fatehpur Roshnai, Dist Akbarpur, Gajner Road; at D-19 and D-20, Site I Panki Industrial Area, Kanpur and at A1-A2, Site 5 (Udyog Kunj), Panki Industrial Area, Kanpur.

15.5 Veichle Financed from HDFC Bank Ltd. INR , Balance Outstanding is ₹ 10.03 Lakhs, (Previous Year ₹ 24.42 lakhs).

15.6 The above Term Loans have been guaranteed (Personal) by Chairman Cum Managing Director and Deputy Managing Director.

15.7 Vehicle Finance under Hire purchase is Secured by Hypothecation of Vehicles of the company and are repayable over a period of 5 Years.

The installments due in the succeeding twelve months in respect of the above loans have been classified under Current Liabilities in Note No.18, as 'Current Maturities of Debts'.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 16 : LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provisions for Employee Benefit Obligations	766.79	700.27
	766.79	**700.27**

NOTE 17 : DEFFERED TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Deferred Tax Liabilities		
Depreciation and amortisation	2,148.69	2,227.27
2 Deferred Tax Assets		
Employee benefits	(269.41)	(282.81)
Deferred income-Capital Subsidy	(138.97)	–
MAT Credit Entitlement	–	–
	1,740.31	**1,944.46**

Reconciliation of tax expense and accounting profit multiplies by the domestic tax rate for 31st March, 2023 and 31st March, 2022

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	31st March, 2022
Accounting profit before Income Tax	257.02	3,657.32
Applicable Tax Rate	25.17%	29.12%
Computed Tax Expense	64.69	1,065.01
Adjustment in respect of current income tax of previous years	16.31	4.14
Impact of change in tax rate for calculation of DTA/DTL	(263.95)	–
Utilisation of unrecognised unabsorbed depreciation/carried forward losses/MAT credit	16.30	8.85
Effect of Non deductible adjustments for tax purposes	19.39	23.64
Income Tax at effective tax rate	(147.26)	1,101.64

NOTE 17A : OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Income- Subsidy against Capital Investment	552.15	–
	552.15	**–**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

CURRENT LIABILITIES :
FINANCIAL LIABILITIES

NOTE 18 : BORROWINGS FROM BANK

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Working Capital Loans in INR (Refer to Notes 18.1 to 18.6 below)	7,673.61	9,603.36
Current Maturities of :		
1 Long Term Debt	1,587.10	1,807.00
2 Finance Lease Obligations on Vehicle	6.95	14.40
	9,267.66	**11,424.76**

18.1 It includes Bill Purchase Account of ₹ 1282.55 Lacs. (Previous Year ₹ 2085.54 Lacs).

18.2 Working Capital Loans from State Bank of India in INR in Cash Credit (Hypo) , Export Packing Credit & Cash Credit(Book Debts), SBI COVID Loan , Balance Outstanding (₹ in Lacs) 5288.25 (previous year (₹in Lacs) 6672.45).

18.3 Working Capital Loans from HDFC Bank Limited in INR in Cash Credit (Hypo) , Export Packing Credit, Balance Outstanding (₹in Lacs) ₹ 397.84 (previous year (₹ in Lacs) ₹ 234.36).

18.4 Working Capital Loans from AXIS Bank Limited in INR in Cash Credit (Hypo) , Export Packing Credit, Balance Outstanding (₹in Lacs) ₹105.00 (previous year (₹ in Lacs) ₹186.88).

18.4 Working Capital Loans in INR from State Bank of India in Cash Credit Limits under E-DFS Scheme , Balance Outstanding of (₹ in Lacs) 599.98 (previous year (₹ in Lacs) 424.13) Consignment Stockist (IOCL) Division.

18.5 The working capital limits (total sanctioned limit ₹ 130 Cr.) is under a consortium arrangement, with State Bank of India being the lead bank. The loans are secured by hypothecation of stocks of Raw Materials, Goods in Process, Finished Goods, Spares,Book Debts, Export Documents etc.. The immovable properties of the company are held as collateral security by the Consortium.

18.6 The above Working Capital Loans have been guaranteed (Personal) by Chairman Cum Managing Director and Deputy Managing Director.

NOTE 19 : TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Trade Payable for purchase of Raw Material & Store,Spares	939.97	633.49
(Refer Note 19.1 Below)		
2 Trade Payable for Services Received	494.00	877.81
	1,433.97	**1,511.30**
As regards the disclosure requirements under the Micro, Small & Medium Enterprises Development Act, 2006, and Schedule III of the Companies Act, 2013, it may be mentioned that the company had called for information and details from its 'Suppliers' regarding their registration status and classification under the Act as Medium, Small or Micro enterprises. Based on the information received upto the date of these Financial Statements, the Trade Payables are classified as under:		
Amount due to Suppliers being Micro and Small Enterprises	96.14	82.63
Amount due to Others	1,337.83	1,428.67
	1,433.97	**1,511.30**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 19 : TRADE PAYABLES (Contd..)

19.1 (Including (₹in Lacs) 342.93 (Previous Year ₹ 274.83 in Lacs) of Consignment Stockist (IOCL) Division.

Trade Payable Ageing Schedule

(₹ in Lakhs)

Particulars		Outstanding for following periods from the date of the transaction				
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	CY	96.14	–	–	–	96.14
	PY	82.63	–	–	–	82.63
(ii) Others	CY	1,330.75	6.04	1.04	–	1,337.83
	PY	1,425.47	3.20	–	–	1,428.67
(iii) Disputed dues – MSME	CY	–	–	–	–	
	PY	–	–	–	–	–
(iv) Disputed dues – Others	CY	–	–	–	–	
	PY	–	–	–	–	–
Total	**CY**	**1,426.89**	**6.04**	**1.04**	**–**	**1,433.97**
	PY	**1,508.10**	**3.20**	**–**	**–**	**1,511.30**

NOTE 20 : PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Provision for Quality Claim	26.66	66.52
2 Employee Benefits (Leave Wages/Bonus/Gratuity)	544.98	512.62
	571.64	**579.14**

NOTE 21 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Advances From Customers & Others	125.33	172.56
2 TDS Payable	33.58	36.59
3 Unpaid Dividend	42.20	55.79
4 Unpaid-salary & wages	259.45	276.08
5 Payables in respect of Capital Goods	257.73	19.19
6 Share Application Money Pending for Refund	–	–
7 Retention Money From Supplier	–	1.00
8 Outstanding Liabilities	347.37	568.99
	1,065.66	**1,130.20**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(I) Sale of Products		
(i) Plastic Products(Indigenous)	12,228.21	15,191.04
(ii) Plastic Products (Export)	34,656.61	44,534.78
(iii) By-Products	971.47	1,287.32
	47,856.29	**61,013.14**
(II) Sale - Trading of Stock -in-Trade		
(i) Plastic Granules/ Others	1,559.04	3,870.91
(ii) Merchant Exports	–	73.85
	1,559.04	**3,944.76**
(III) Other Operating Revenue		
(i) Commission received(on Consignment Stock sales IOCL)	88.11	103.17
(ii) Sale of scrap	129.05	125.09
	217.16	**228.26**
Total Revenue From Operations (I+II+III)	**49,632.49**	**65,186.16**
Less : Goods & Service Tax	1,947.06	2,678.82
	47,685.43	**62,507.34**

NOTE 23 : OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(i) Export Incentives (Focus Market/Product scheme)	–	160.11
(ii) Miscellaneous income	29.57	9.28
(iii) Interest Received	110.48	125.47
(iv) Net Gain on Foreign Exchange Fluctuation	293.83	971.87
(v) Profit on Sale of Investment	0.26	0.32
(vi) Capital subsidy	4.38	–
(vii) Gain on revaluation of Investments	0.61	0.34
	439.13	**1,267.39**

NOTE 24 : COST OF THE MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock :		
Raw Materials	5,081.62	3,107.69
Add : Purchases	25,093.29	37,429.30
Less : Closing Stock	3,431.12	5,081.62
Materials Consumed	**26,743.79**	**35,455.37**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 25 : PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Purchase of Plastic Granules / Others	1,517.53	3,760.94
	1,517.53	**3,760.94**

NOTE 26 : CHANGES IN INVENTORIES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock :		
Goods in Process	2,964.68	2,619.04
Finished Goods	2,887.18	1,852.12
Less : Closing Stock		
Goods in Process	2,421.80	2,964.68
Finished Goods (Includes Goods in Transit)	1,986.87	2,887.18
(Increase) Decrease in Stock	**1,443.19**	**(1,380.70)**

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(i) Salaries, Wages, Bonus & Others	3,489.72	3,409.75
(ii) Contribution to Provident and other Funds	225.37	211.53
(iii) Security and contractors Salary	1,156.79	1,170.24
(iii) Staff welfare expenses	458.70	534.36
(iv) Directors' Remuneration	196.41	232.93
(v) Directors' Commission	–	191.70
	5,526.99	**5,750.51**

NOTE 28 : OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Stores and Spares Consumed	991.18	1,241.77
Power and Fuel	1,786.06	2,393.35
Other Direct Expenses	2,542.93	3,023.45
Repairs and Maintenance		
– Building'	67.68	139.58
– Plant and Machinery	82.89	80.92
– Others	59.03	57.06
Advertisement and Publicity	4.32	8.12

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 28 : OTHER EXPENSES (Contd..)

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Traveling and Conveyance		
– Directors'Traveling including Foreign Travel	58.11	11.12
– Sales Staff	57.83	18.28
– Other	30.90	17.61
Transportation Expenses	241.19	216.49
Selling and Promotional Expenses	82.39	193.13
Freight and Forwarding	3,136.70	5,574.56
Claims and Discount	67.89	106.76
Bad Trade Receivables/Advances Written Off	14.88	13.98
Legal and Professional	235.24	279.10
Meeting, Recruitment & Training Expenses	24.84	22.33
Printing and Stationery/ Books and Periodicals	40.98	39.54
Vehicle Maintenance	53.28	42.36
Rent	35.04	63.30
Rates and taxes	30.46	35.32
Corporate Social Responsibility	43.63	49.90
Communication Expenses	70.93	50.21
Auditors' Remuneration		
– Audit Fees	7.00	7.00
– Tax Audit Fees	1.00	1.00
Subscription and Memberships	13.64	9.68
Insurance Expenses	278.74	250.52
Directors' Sitting Fees	9.75	12.88
Miscellaneous Expenses	6.83	14.57
Loss on disposal of Fixed Assets	202.98	30.73
	10,278.32	**14,004.62**

NOTE 29 : FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(i) Interest to Bank & others	1,095.84	1,262.20
(ii) Bank Charges	126.12	153.12
	1,221.96	**1,415.32**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 30 : DIVIDEND

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders . A corresponding amount is recognised directly in equity.

The dividends paid in the years reported in these financial statements are duly disclosed in the Statement of changes in Equity of the year in which payment has been made, irrespective of the year for which the same were proposed.

Dividends paid during the year ended 31st March, 2023 include an amount of ₹ 1.20 per equity share towards final dividend for the year ended 31st March, 2022.

Dividends declared by the Company are based on the profit available for distribution. The Board of Directors of the Company have proposed a final dividend of 5% i.e 0.50 per equity share in respect of the year ended 31st March, 2023. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 1.07 Cr.

NOTE 31 : SEGMENT REPORTING

The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organized into business segment based on its products and services and has three reportable segments as follows:

a) Operating Segments

Plastic Division	:	Domestic and Export sale of manufactured and traded plastic products
Consignmnet Stockiest	:	Consignment Stockiest for Indian Oil Corporation Ltd.
Solar Power Division	:	Generation and supply of power. The same is consumed by the company in its manufacturing operations.

b) Summary of Segmental Information

(₹ in Lakhs)

Particulars	Plastic Division		Consignment Stockiest		Solar Power Division		Total Operations	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
1. Segment Revenue	47,597.32	62,404.17	88.11	103.17	20.30	38.99	47,705.73	62,546.33
Less:Inter Segment Revenue	–	–		–	–	–	–	–
Net Sales/Income from Operations	**47,597.32**	**62,404.17**	**88.11**	**103.17**	**20.30**	**38.99**	**47,705.73**	**62,546.33**
2. Other Revenue	552.23	1,157.08	90.65	110.31	(203.75)	–	439.13	1,267.39
Total Income	**48,149.55**	**63,561.25**	**178.76**	**213.48**	**(183.44)**	**38.99**	**48,144.86**	**63,813.72**
2. Segment Results (Profit Before Tax and Interest)	1,542.92	4,930.49	131.40	171.77	(187.12)	21.13	1,487.20	5,123.39
Less : Unallocated Interest Finance Charges	1,182.12	1,392.09	39.84	23.23	–	–	1,221.96	1,415.32
Total Profit before tax	**360.80**	**3,538.40**	**91.56**	**148.54**	**(187.12)**	**21.13**	**265.24**	**3,708.07**
3. Capital Employed(Segment Assets - Segment Liabilities)	17,999.54	17,565.18	20.55	73.47	30.71	265.48	18,050.80	17,904.12
4. Segment Assets	40,712.96	41,772.71	–	–	31.68	266.56	40,744.64	42,039.27
5. Depreciation	1,122.41	1,047.17	–	–	5.13	13.43	1,127.54	1,060.60

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 31 : SEGMENT REPORTING (Contd..)

c) The assets and liabilities as mentioned in the Balance Sheet include the following amounts as related to Consignment Stockiest Division of the Company

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i. Trade Receivables	944.30	764.84
ii. Cash & Bank Balances	9.96	0.22
iii. Short Term Loans & Advances	9.20	7.36
iv. Net Inter Branch Balances	20.55	73.47
v. Trade Payable	342.93	274.83
vi. Other Current Liabilities	–	–
Vii. Short Term Borrowings	599.98	424.12

d) The assets and liabilities as mentioned in the Balance Sheet include the following amounts as related to Solar Power Division of the Company

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
I. Property, Plant And Equipment	31.68	266.56
ii. Trade Receivables	–	–
iii. Cash & Bank Balances	–	–
iv. Other Current Assets	0.22	0.11
v. Net Inter Branch Balances	30.71	265.48
vi. Trade Payable	0.87	0.87
vii. Other Current Liabilities	0.32	0.32
Viii. Long Term Borrowings	–	–

NOTE 32 : EARNING PER SHARE

Earning per Share (EPS) is computed in accordance with Ind-AS – 33- "Earning Per share" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015).

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Basic Earning Per Share		
Numerator of EPS		
Net Profit after Tax	413.87	2,621.21
Denominator of EPS		
Weighted Average Number of equity share of ₹ 10/- each ##	21466758	21466758
Basic Earnings per share	**1.93**	**12.21**
Diluted Earning Per Share		
Numerator of EPS	–	–
Net Profit after Tax (As per Profit/ Loss Account after adjustment for preference dividend and Tax thereon)	413.89	2621.21
Denominator of EPS		
Weighted Average Number of equity share of ₹ 10/- each	21466758	21466758
Diluted Earning per Share	**1.93**	**12.21**

The number of partly paid up shares oustanding during the preceding year has been adjusted for the paid up value for the relevant period.
The Weighted average number of shares have been worked out on the basis of number of days for which the same were outstanding during the preceding year.
The shares forfieted by the company have been considered upto the date of forfieture.

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 33 : CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Counter Guarantees given to Bank for issue of performance guarantees by Bank.	561.87	662.22
Legal Undertakings submitted to DGFT under duty exemption Scheme for duty free import of raw materials (to the extent of obligations upto the reporting date)	454.83	1,508.60
Labour cases pending with Labour Courts / High Court	12.00	12.00

The company regularly imports material under the Advance Authorisation scheme whereby exemption from payment of basic customs duty and GST is availble as per the scheme, subject to fulfilment of export obligation by the importer, using the imported material. Vide Notification No.79/2017-Cus., dated 13th October, 2017, inter alia, a pre-import condition was imposed in order to avail benefit of the scheme. Thereafter the said condition was removed vide Notification No. 01/2019-Cus., dated 10th January, 2019. The matter of levy of GST for the intermittent period was subject matter of litigation, which has finally been decided in favour of the revenue by the Hon'ble Apex Court in the case of UOI v. Cosmo films Limited - 2023- VIL-47-SC. However, since the related Rules are yet to be Notified, the company's liability, if any, in respect thereof cannot be quantified.

NOTE 34 : RELATED PARTY DISCLOSURES

Disclosure of transactions with related parties as required by IND Accounting Standard 24

(As identified by the management)

The company's related party transactions during the year and outstanding balances as on 31.03.2023 are as under:

Disclosures related to Key Managercial Person(s) of Entity/Parent Entity:

(₹ in Lakhs)

Name	Relationship	Nature Of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Mahesh Swarup Agarwal	Chairman Emeritus (Upto May 22)	Remuneration	–	28.00
Mahesh Swarup Agarwal	Chairman Emeritus (Upto May 22)	Sitting Fee	–	0.23
Manoj Agarwal	Chairman Cum Managing Director	Salary, Allowances and Perquisites	81.30	173.04
Shashank Agarwal	Deputy Managing Director	Salary, Allowances and Perquisites	68.34	159.95
Sunil Mehta	Executive Director	Salary, Allowances and Perquisites	61.00	56.45
Usha Agarwal	Non Executive Director	Rent	7.20	7.20
Usha Agarwal	Non Executive Director	Sitting Fee	1.00	1.20
Prem Singh Khamesra	Independent Director	Sitting Fee	1.03	2.23
Subodh Kumar	Independent Director	Sitting Fee	1.05	2.43
Ram Gopal Bagla	Independent Director	Sitting Fee	0.25	2.50
Akshay Kumar Gupta	Independent Director	Sitting Fee	0.95	2.18
Dharam Bir Prasad	Independent Director	Sitting Fee	1.00	2.13
Vishal Jain	Chief Financial Officer	Remuneration	35.62	34.36
Ankur Srivastava	Company Secretary	Remuneration	16.83	16.04

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 34 : RELATED PARTY DISCLOSURES (Contd..)

Disclosures related to Entity(s) which are controlled/significant influenced by Director(s)/KMP(s) of Reporting Enterprise:

(₹ in Lakhs)

Name	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
KPL Training And Skill Development Center	CSR Expenses	–	–
Kanplas Do Brasil LTDA	Sales	72.06	–
Valex Ventures Limited	Sales	332.28	427.03
KSM Exports Limited	Rent Paid	21.60	24.00
KSM Exports Limited	Rent Received	0.24	0.24
MSA Investment & Trading Company Pvt Ltd	Rent Paid	4.25	6
MSA Investment & Trading Company Pvt Ltd	Rent Received	0.24	0.24
MSA Investment & Trading Company Pvt Ltd	Land Purchased	43.36	–
KPL Packaging Pvt Ltd	Rent Paid	5.52	4.8
KPL Packaging Pvt Ltd	Rent Received	0.12	0.12

Disclosures of Subsidiary Companies

(₹ in Lakhs)

Name	Relationship	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Bright Choice Ventures Private Limited	– Wholly Owned Subsidiary	Convertible Preference Shares	10.0	240.00
Kanplas Earning Solutions Private Limited	– Wholly Owned Subsidiary	Equity Shares	50.00	25.00
Kanplas Do Brasil LTDA	– Wholly Owned Foriegn Subsidiary	Equity Shares	96.15	–
Kanplas Do Brasil LTDA		Refundable Share Application Money	5.48	–
Kanplas Do Brasil LTDA		Sales	72.1	–

Disclosures of Relatives of Directors

(₹ in Lakhs)

Name	Relationship	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Mahesh Swarup Agarwal	– Relative of Director	Others Services	18.00	15.00
Manjari Agarwal	– Relative of Director	Others Services	3.00	–

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 34 : RELATED PARTY DISCLOSURES (Contd..)

Details of Transactions Nature

(₹ in Lakhs)

Transactions	Key Managercial Personnel		Subsidiary Company / Associate Company / Entities Controlled By Director(S)		Relatives Of Directors	
	April - March 2023	April - March 2022	April - March 2023	April - March 2022	April - March 2023	April - March 2022
Remuneration/Others Services	263.10	467.83	–	–	21.00	15.00
Directors' Sitting Fees	5.28	12.88	–	–	–	–
Rent Paid	7.20	7.20	31.37	34.80	–	–
Rent Received	–	–	0.60	0.60	–	–
Sales Made by Company	–	–	404.33	427.03	–	–
Inter Company Deposit to Subsidiary	–	–	–	–	–	–
Share Capital of Subsidary Company	–	–	156.15	265.00	–	–
Refundable Share Application Money From Subsidary Company	–	–	5.48	–	–	–
Land Purchased	–	–	43.36	–	–	–
Outstanding Balances						
Kanplas Do Brazil LTDA (Trade Receivable)	–	–	72.06	–	–	–
Kanplas Do Brazil LTDA (Share Application Money Receivable)	–	–	5.48	–	–	–
Valex Ventures Limited (Trade Receivable)	–	–	75.71	–	–	–

NOTE 35 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on providing medical facilities to the under-priviliged and also development and improvement of community areas designated by the Local authorities. The aim is to better the standards of living for the community as a whole.

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Amount required to be spent by the company during the year (after set off of previous year excess expenditure)	41.80	33.35
Amount of expenditure incurred on:		
- Construction / acquisition of any asset	–	–
- On purposes other than above	43.63	49.90
Shortfall at the end of the year	–1.83	–16.55
Total of previous years shortfall	–	–
Reasons for shortfall	N.A	N.A
Nature of CSR activities:		
Development of community park, contribution towards medical facilities and infrastructure including COVID-19 relief, free check up camps, charity clinic etc.		

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 36 EMPLOYEE BENEFITS- DEFINED BENEFIT PLANS

(a) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present value of defined benefit obligation at the beginning of the year	782.88	671.79
Obligation assumed on acquisition of business	–	–
Interest expense	57.23	46.42
Current Service Cost	100.08	81.55
Benefit paid	(69.19)	(67.62)
Remeasurement of (gain)/loss recognised in other comprehensive income	8.22	50.75
Acturial changes arising from changes in financial assumptions	–	–
Acturial changes arising from changes in experience adjustments	–	–
Defined Benefit Obligation at year end	**879.22**	**782.88**

(b) Net Defined Benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets	–	–
Present Value of Defined Benefit Obligation	879.21	782.88
Amount recognised in balance sheet - Asset/(liability)	**(879.21)**	**(782.88)**

(c) Net defined benefit expense (recognised in the Statement of Profit or loss for the year)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Service Cost	100.08	81.55
Net Interest Cost	57.23	46.42
Net defined benefit expense debited to statement of profit and loss for the year	**157.30**	**127.97**

(d) Remeasurement (gain)/loss recognised in other comprehensive income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Acturial changes arising from demographic assumptions	–	–
Acturial changes arising from financial assumptions	133.23	75.41
Acturial changes arising from changes in experience adjustments	(125.01)	(24.66)
Return on plan assets excluding interest income	–	–
Recognised in other comprehensive income - (Gain)/ Loss	**8.22**	**50.75**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 37 : DISCLOSURES UNDER IND-AS-23-BORROWING COSTS

The company has identified its CPP Project as a "Qualifying Asset" in terms if Ind-AS-23 for capitalisation of borrowing costs. The diclosures as required in terms if Ind-AS 23 are as under:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
The amount of borrowing costs capitalised during the year	144.35	–
The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation	7.88%	–

NOTE 38 : GOVERNMENT GRANDS

The details of Government Grants recogised in these Financial Statements are as under:

The company received total subsidy of ₹677.32 Lakhs during the year, by way of reduction in the Term Loan of the company from HDFC Bank.

The Subsidy received is in respect of the investment made by the company in setting up of its factory unit at Gajner Road, Kanpur.

Treatment in Financials

Of the total amount of ₹677.32 lakhs received by the company, an amount of ₹120.79 Lakhs being on account of interest paid by the company, has been credited to P&L by way of a reduction in the finance costs for the year. The balance subsidy of ₹ 556.53 Lakhs being on account of the capital investment has been credited to capital subsidy deferred A/c which will be amortized on the basis of remaining useful life of the related Property, Plant and Equipment which is 254 Months.

NOTE 39 : RATIO

(₹ in Lakhs)

Particulars	Formula	Current Period		Previous Period		Current Period	Previous Period	% Variance	Reason for variance
		Numerator	Denominator	Numerator	Denominator				
(a) Current ratio	Current Assets / Current Liabilities	14,897.10	12,338.93	18,923.35	14,645.40	1.21	1.29	-7%	–
(b) Debt-equity ratio	Total Term Liabilities / Total Net Worth	8,889.71	18,050.80	8,666.42	17,904.12	0.49	0.48	2%	–
(c) Debt service coverage ratio	EBIDTA / Interest on Long Term Borrowing + Current Maturities of Long Term Borrowings	1,711.79	1,913.06	5,454.96	2,507.69	0.89	2.18	-59%	Whereas the overall debt obligations of the company have reduced in comparison to the preceding year, the adverse variance in the ratio is owing to fall in the company's profit during the year for reasons stated against sl.no. (i) and (j) below.
(d) Return on equity ratio	PAT *100 / Average Shareholder's Equity	413.87	17,977.46	2,621.21	16,826.64	2.30	15.58	-85%	The adverse variation is owing to a fall in profitability of the company for reasons stated against sl.no. (i) and (j) below.
(e) Inventory turnover ratio	Net Sales / Average Inventory	47,685.43	9,999.83	62,507.34	10,990.38	4.77	5.69	-16%	–
(f) Trade receivables turnover ratio	Net Sales / Average Debtors	47,685.43	5,535.18	62,507.34	5,832.51	8.61	10.72	-20%	–
(g) Trade payables turnover ratio	Net Purchases / Average Creditors	26,610.82	1,472.64	41,190.24	1,597.04	18.07	25.79	-30%	There being an overall fall in the volume of activity of the company during the year, there has been a fall in purchases, resulting in fall in the ratio.
(h) Net capital turnover ratio	Net Sales / Working Capital	47,685.43	2,558.17	62,507.34	4,277.95	18.64	14.61	28%	The company has reduced it's Inventory levels in view of the fall in volume of business. The fall in trade receivables is owing to overall fall in sales. The reduction in the significant components of working capital has resulted in increase in the ratio.
(i) Net profit ratio	Net Profit *100 / Net Sales	413.87	47,685.43	2,621.21	62,507.34	0.87	4.19	-79%	"The fall in profitability is primarily on account of fall in turnover of the company owing to the following global factors; 1. Fall in demand in the EU region & South America. 2. Increase competition from within the country resulting in reduction of margins. 3. Foreign exchange loss on A/c of FCTL"
(j) Return on capital employed	EBIDTA *100 / Capital Employed	1,711.79	27,086.77	5,454.96	26,693.60	6.32	20.44	-69%	
(k) Return on investment	Return on Investment / Average Investment	0.87	16.63	0.66	27.71	5.23	2.38	120%	There was FTMF redemption the value of which was nil and we booked a profit on this invetment which was recorded in profit on sale of investment

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 39 : RATIO (Contd..)

Notes:

(₹ in Lakhs)

Particulars	Particulars	Current Year	Previous Year
i) Total Term Liabilities :	Long Term Borrowings	7,295.66	6,845.02
	Current Maturities of Long Term Borrowings	1,594.05	1,821.40
		8,889.71	**8,666.42**
ii) EBIDTA :	Profit/(Loss) before Tax	265.24	3,708.07
	Depreciation, Amortisation and Impairment expense	1,127.54	1,060.60
	Interest on Long Term Borrowing	319.01	686.29
		1,711.79	**5,454.96**
iii) Average Shareholder's Equity :	Opening Shareholder's Equity	17,904.12	15,749.15
	Closing Shareholder's Equity	18,050.80	17,904.12
		17,977.46	**16,826.64**
iv) Average Inventory :	Opening Inventory	11,718.90	10,261.86
	Closing Inventory	8,280.76	11,718.90
		9,999.83	**10,990.38**
v) Average Debtors :	Opening Debtors	6,112.36	5,552.65
	Closing Debtors	4,957.99	6,112.36
		5,535.18	**5,832.51**
vi) Net Purchases :	Purchases of RM	25,093.29	37,429.30
	Purchase Of Stock In Trade	1,517.53	3,760.94
		26,610.82	**41,190.24**
vii) Average Creditors :	Opening Creditors	1,511.30	1,682.78
	Closing Creditors	1,433.97	1,511.30
		1,472.64	**1,597.04**
viii) Working Capital :	Current Assets	14,897.10	18,923.35
	Current Liabilities	12,338.93	14,645.40
		2,558.17	**4,277.95**
ix) Capital Employed :	Net Worth	18,050.80	17,904.12
	Long Term Borrowing	7,295.66	6,845.02
	Deferred Tax Liability	1,740.31	1,944.46
		27,086.77	**26,693.60**
x) Average Investment :	Opening Investment	17.40	38.01
	Closing Investment	15.85	17.40
		16.63	**27.71**

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 40 : QUANTITATIVE DISCLOSURES OF FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS AS AT MARCH 31, 2023

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2022	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets Measured at Fair Value				
Investments Measured at				
(i) Fair Value Through Other Comprehensive Income	–	–	–	–
(ii) Fair Value Through Profit & Loss	–	–	–	–
Investment Property	–	–	–	–
Non Current Financial Investment	921.13	–	–	921.13
Current Financial Investment	15.85	15.85	–	–
Financial Assets Measured At Amortised Cost				
Other Non Current Assets	584.29	–	–	584.29
Other Non Current Financial Assets	299.67	–	–	299.67
Trade Receivables	4,957.99	–	–	4,957.99
Cash & Cash Equivalents	53.83	–	–	53.83
Other Bank Balances	219.78	–	–	219.78
Other Current Financial Assets	1,239.69	–	–	1,239.69
Financial Liabilties Measured At Amortised Cost				
Non Current Financial Liabilties				
Borrowings	7,295.66	–	–	7,295.66
Other Financial Liabilities	–	–	–	–
Current Financial Liabilties	–	–	–	–
Borrowings	9,267.66	–	–	9,267.66
Trade Payables	1,433.97	–	–	1,433.97
Other Financial Liabilities	–	–	–	–
Other Current Liabilities	1,065.66	–	–	1,065.66

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2021	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets Measured At Fair Value				
Investments Measured At				
(I) Fair Value Through Other Comprehensive Income	–	–	–	–
(Ii) Fair Value Through Profit & Loss	–	–	–	–
Investment Property	–	–	–	–
Non Current Financial Investment	764.98	–	–	764.98
Current Financial Investment	17.40	17.40	–	–
Financial Assets Measured At Amortised Cost				
Other Non Current Assets	887.21	–	–	887.21
Other Non Current Financial Assets	303.96	–	–	303.96
Trade Receivables	6,112.36	–	–	6,112.36
Cash & Cash Equivalents	23.15	–	–	23.15
Other Bank Balances	252.25	–	–	252.25

Notes forming part of the Standalone Financial Statements

as at March 31, 2023

NOTE 40 : QUANTITATIVE DISCLOSURES OF FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS AS AT MARCH, 31, 2023 (Contd..)

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2021	Fair Value		
		Level 1	Level 2	Level 3
Other Current Financial Assets	755.68	–	–	755.68
Financial Liabilties Measured At Amortised Cost				
Non Current Financial Liabilties				
Borrowings	6,845.02	–	–	6,845.02
Other Financial Liabilities	–	–	–	–
Current Financial Liabilties				
Borrowings	11,424.76	–	–	11,424.76
Trade Payables	1,511.30	–	–	1,511.30
Other Financial Liabilities	–	–	–	–
Other Current Liabilities	1,130.20	–	–	1,130.20

Note: The company has disclosed financial instruments such as cash & cash equivalents, other bank balances, trade receivables, trade payables, bank overdrafts and other current liabilties at carrying amount value because their carrying amounts are a reasonable approximation of the fair values due to the short term maturities of these instruments.

The accompanying schedules form an integral part of the accounts

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Independent Auditors' Report

To
The Members of
Kanpur Plastipack Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the Consolidated Financial Statements of Kanpur Plastipack Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2023 the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of 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 31st March, 2023 and consolidated group loss (including other comprehensive income/loss), its 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 ("SA"s) 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key Audit Matters ('KAM') are those matters that, in our professional judgment, 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.

1. Treatment of Investment Subsidy received by the Holding Company:

The Holding Company received Subsidy amounting to ₹677.32 Lakhs during the year from the Government, in respect of the investment made by the company in setting up of manufacturing unit at Gajner Road, Kanpur. Since the Unit had started commercial production in earlier years and the subsidy was in respect of the capital expenditure as well as interest costs incurred by the company, and in view of the alternative accounting approaches prescribed under Ind-AS-20 -Government Grants, the treatment, presentation and disclosure of the Subsidy was identified as a key audit matter and required a higher extent of audit effort.

How our audit addressed the key audit matter

For the matter referred to above, our procedures included, among others, verification of the Subsidy Scheme document, identification/verification of the components and calculation of the subsidy amount and its appropriate accounting/classification in the books of account and financial statements respectively in view of the laid down accounting and measurement principles.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but 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, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are 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 state of affairs, consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 management and Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors of the Holding Company.

- Conclude on the appropriateness of management's and Board of Director's of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) 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 such entities within the Group to express an opinion on the consolidated financial statements.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 information of 1 subsidiary, whose financial information reflect total assets of ₹55.34 lakhs as at 31st March, 2023, total revenues of ₹45.74 lakhs and net cash outflows amounting to ₹ (13.42) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been only reviewed by us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based on the such review.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter since the said financial information is not considered 'material' vis-à-vis the group's total assets, revenue and cash flows.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

(A) 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 of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies

incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2023 on the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2023.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31st March, 2023.

iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in Note 30 to the financial statements, the Board of Directors of the Holding company have proposed final dividend for the year, which is subject to the approval of the members at the ensuring Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

(B) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

(C) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Reg. No. 002253C

Anjani Kheterpal
(Partner)
M.No.401701
UDIN-23401701BG4DSA4500

Kanpur, 26th May, 2023

Annexure "A"

To The Independent Auditors' Report

(Referred to in Para A(f) under 'Report on Other legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 ("THE ACT")

(Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of **Kanpur Plastipack Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company.

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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent'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 internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Reg. No. 002253C

Anjani Kheterpal
(Partner)
M.No.401701

Kanpur, 26th May, 2023

Consolidated Balance Sheet

as at 31st March, 2023

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets :			
Property, Plant and Equipment	3	20,840.12	21,389.73
Capital Work-in-Progress	3	3,636.03	203.74
Other Intangible Assets	3	–	–
		24,476.15	**21,593.47**
Long Term Investments	4	299.98	299.98
Other Financial Assets	5	299.67	303.96
Other Non-Current Assets	6	634.29	887.21
		1,233.94	**1,491.15**
Current Assets :			
Inventories	7	8,324.84	11,718.90
Financial Assets :			
Current Investments	8	39.51	41.36
Trade Receivables	9	4,885.36	6,112.36
Cash and Cash Equivalents	10	147.38	26.47
Other Bank balances	11	219.78	252.25
Other Current Assets	12	1,234.21	755.68
Current Tax Assets (Net)		129.20	43.61
		14,980.28	**18,950.63**
Total Assets		**40,690.37**	**42,035.25**
EQUITY & LIABILITIES :			
Equity :			
Equity Share capital	13	2,147.38	2,147.38
Other Equity	14	15,855.58	15,752.41
		18,002.96	**17,899.79**
LIABILITIES :			
Non-Current liabilities			
Financial Liabilities :			
(i) Long Term Borrowings	15	7,295.66	6,845.02
(ii) Other Non current liabilities	15	–	–
Long Term Provisions	16	766.79	700.27
Deferred Tax Liabilities	17	1,740.31	1,944.46
Other Non Current Liabilities	17A	552.15	–
		10,354.91	**9,489.75**
Current Liabilities :			
Financial Liabilities :			
Borrowings	18	9,267.66	11,424.76
Trade Payables			
–Total Outstanding dues of Creditors other than micro and small enterprises	19	1,338.18	1,428.97
–Total Outstanding dues of micro and small enterprises	19	96.14	82.63
Provisions	20	571.64	579.14
Other Current Liabilities	21	1,058.88	1,130.21
		12,332.50	**14,645.71**
Total Equity & Liability		**40,690.37**	**42,035.25**
Significant Accounting Policies and Notes to Accounts	1-2		

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Revenue from Operations	22	47,659.11	62,507.34
Other Income	23	448.79	1,267.59
Total Income		**48,107.90**	**63,774.93**
Expenses			
Cost of materials consumed	24	26,773.44	35,455.37
Purchase of stock-in-trade	25	1,517.53	3,760.94
Changes in inventories of Finished Goods, Stock in Trade and Work in Progress	26	1,399.11	(1,380.70)
Emloyee Benefit Expense	27	5,552.46	5,750.51
Depreciation, Amortisation and Impairment expense	3	1,127.54	1,060.60
Other Expenses	28	10,300.44	14,006.15
Finance Costs	29	1,222.60	1,415.35
Total Expenses		**47,893.12**	**60,068.22**
Profit/(Loss) before Exceptional Items and Tax		**214.78**	**3,706.71**
Exceptional items		–	–
Profit/(Loss) before Tax		**214.78**	**3,706.71**
Income Tax Expense			
Current tax		40.58	681.06
Earlier Year Tax Adjustments		16.31	4.14
Deferred tax		(205.52)	401.66
Profit/(Loss) for the year from Continuing Operations		**363.41**	**2,619.85**
PROFIT/(LOSS) FOR THE YEAR		**363.41**	**2,619.85**
Other Comprehensive Income			
A. Items that may be reclassified to profit or loss		(6.95)	–
Income Tax relating to these Items		–	–
B. Items that will not be reclassified to profit or loss (Gratuity Provision debited in P&L A/C)		8.22	50.75
Income Tax relating to these Items		1.37	14.78
Other Comprehensive Income/(Loss) for the Year (Net of Tax)		**(2.64)**	**(65.53)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**360.77**	**2,554.32**
Earnings per Share			
Basic EPS		1.69	12.20
Diluted EPS		1.69	12.20

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Consolidated Cash Flow Statement

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
I) CASH FROM OPERATIONS		
A. PROFIT BEFORE TAX	214.78	3,706.71
B. ADJUSTEMENTS:		
Depreciation	1,127.54	1,060.60
Provision under OCI	(1.27)	(50.75)
Loss/(Profit) on disposal of PPE, intangible assets & non-current assets held for sale	202.98	30.73
Interest Income	(113.82)	(125.47)
Finance Costs	1,222.60	1,415.35
Loss/(Profit) on sale of mutual funds	(0.28)	(0.32)
Gain on Revaluation of Investments	(1.80)	(0.54)
Operating Profit Before working capital changes	**2,650.73**	**6,036.31**
Adjustments for Changes in working Capital		
Decrease/(Increase) in Inventories	3,394.06	(1,457.04)
Decrease/(Increase) in Trade Receivable	1,227.00	(559.71)
Decrease/(Increase) in other Current Assets	(564.12)	573.75
Decrease/(Increase) in other Non Current Assets	252.92	(302.79)
Decrease/(Increase) in other Financial Assets	4.29	(1.17)
Increase/(Decrease) in Trade Payables	(77.28)	(171.35)
Decrease/(Increase) in Other Bank Balances	32.47	(106.97)
Increase/(Decrease) in Current Liabilities	(71.33)	(619.87)
Increase/(Decrease) in Provisions	(7.50)	54.64
Increase/(Decrease) in Long term Provisions	66.52	126.42
Cash Generated from/(used) in Operations	**6,907.76**	**3,572.22**
Less: Income Tax Paid (including TDS)	56.89	685.20
NET CASH FROM OPERATIONS	**6,850.87**	**2,887.02**
II) CASH FROM INVESTING ACTIVITIES		
Purchase of PPE & Intangible assets (incl. Capital WIP)	(4,243.89)	(3,969.13)
Other Investments	–	–
Investments in Mutual Funds (Net)	3.93	(2.49)
Sale of PPE & Intangible assets	30.69	4.02
Loans Given to Subsidary	–	–
Interest Received	113.82	125.47
NET CASH FROM/USED IN INVESTMENT ACTIVITIES	**(4,095.45)**	**(3,842.13)**

Consolidated Cash Flow Statement

for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
III) CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	–	–
Net Increase/(Decrease) in long term borrowings	1,002.79	1,034.28
Net Increase/(Decrease) in short term borrowings	(2,157.10)	1,392.10
Payment of dividend	(257.60)	(400.75)
Finance Costs	(1,222.60)	(1,415.35)
NET CASH FROM FINANCING ACTIVITIES	**(2,634.51)**	**610.28**
Net Increase in cash and cash equivalents	**120.91**	**(344.83)**
Cash and Cash equivalents as at the beginning of the year	**26.47**	**371.30**
Cash and Cash equivalents as at the end of the Year	**147.38**	**26.47**

Notes :

1 The Cash Flow Statement has been prepared in accordance with the "Indirect Method"specified in the Ind-AS-7- "Statement of Cash Flows".

2 Cash & Cash equivalents comprise cash balances and balances with banks, including current deposit account and short term fixed deposits having original maturity period of three months only.

The accompanying schedules form an integral part of the accounts.

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance at the beginning of the reporting period	Nos.	Amount
As at 31st March, 2021	**1,43,12,564**	**1,431.96**
Add: Issue of Bonus Shares	71,54,194	715.42
As at 31st March, 2022	**2,14,66,758**	**2,147.38**
Add:	–	–
As at 31st March, 2023	**2,14,66,758**	**2,147.38**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
As at 31st March, 2021	**200.00**	**1,507.08**	**124.34**	**12,482.84**	**14,314.26**
Profit for the Year	–	–	–	2,619.85	2,619.85
Other Comprehensive Income For the Year	–	–	–	(65.53)	(65.53)
Total Comprehensive Income For the Year	**–**	**–**	**–**	**2,554.32**	**2,554.32**
Dividends					
Interim Dividend	–	–	–	(143.13)	(143.13)
Final Dividend	–	–	–	(257.62)	(257.62)
Corporate Dividend Tax	–	–	–	–	–
Transfer from retained earnings to general reserve	–	–	–	–	–
Addition on issue of Equity (Bonus Shares)	–	(715.42)	–	–	(715.42)
Transfer from General Reserve to Capital Redemption Reserve	–	–	–	–	–
Premium Received During the Year	–	–	–	–	–
Expense Incurred on Right Issue	–	–	–	–	–
As at 31st March, 2022	**200.00**	**791.66**	**124.34**	**14,636.41**	**15,752.41**
Profit for the Year	–	–	–	363.41	363.41
Other Comprehensive Income For the Year	–	–	–	(2.64)	(2.64)
Total Comprehensive Income For the Year	**–**	**–**	**–**	**360.77**	**360.77**
Dividends					
Interim dividend	–	–	–	–	–
Final Dividend	–	–	–	(257.60)	(257.60)
Corporate Dividend Tax	–	–	–	–	–
Transfer from retained earnings to general reserve	–	–	–	–	–
Transfer on issue of Equity (Bonus Shares)	–	–	–	–	–
Transfer from General Reserve to Capital Redemption Reserve	–	–	–	–	–
Premium Received During the Year	–	–	–	–	–
Expense Incurred on Right Issue	–	–	–	–	–
As at 31st March, 2023	**200.00**	**791.66**	**124.34**	**14,739.58**	**15,855.58**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2023

NATURE AND PURPOSE OF RESERVES

Capital Redemption Reserve- As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Securities Premium Account- The same is created when Shares/securities are issued by the company at a value which is higher than the face value/nominal value of such shares/securities. The amount representing such excess i.e the premium is transferred to the Securities Premium Account in accordance with the provisions of section 52 of the Companies Act, 2013. The balance in this reserve is utilised in accordance with the provisions of the said Section 52 of the Act.

For and on behalf of the Board of Directors

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 1 : CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of **Kanpur Plastipack Limited** ('the Company') and its subsidiaries, collectively referred to as 'the KPL Group' or 'the Group' for the year ended 31st March, 2023.

Kanpur Plastipack Limited ('KPL' or 'The Company' or "The Holding Company") and its subsidiaries (collectively referred to as "the Group") are engaged in manufacturing/Trading of HDPE/PP Woven Sacks, PP Box Bags, Flexible Intermediate Bulk Containers (FIBC's), Fabrics and High Tenacity PP Multi Filament Yarn (MFY). The company is also a Consignment Stockiest of M/s Indian Oil Corporation Limited and owns and operates solar power generation facility at A-1/A-2, Panki Industrial Area, Kanpur. The company is a two star export house.

The Holding company is a Public Limited company, domiciled in India and incorporated on 26th July, 1971 under the provisions of the Companies Act, 1956 (Now Companies Act, 2013) and having its registered office at D-19-20, Panki Industrial Area Kanpur, Uttar Pradesh-208022, India. The Holding Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The details of the Company are as below:-

CIN No.: - L25209UP1971PLC003444
Registered Address:- D 19-20, Panki Industrial Area,
Kanpur, Uttar Pradesh, 208022
Phone Number: +91 512 2691113–116
Official Email ID:- secretary@kanplas.com
Website:- www.kanplas.com

None of the subsidiary companies are listed on any stock exchange in India or overseas.

The details of the Subsidiary Companies are as under:

Name	Country of incor-poration	Parent	% Holding as at 31.03.2023	% Holding as at 31.03.2022
Bright Choice Ventures Pvt Ltd.	India	Kanpur Plastipack Ltd.	100%	100%
Kanplas Earning Solutions Pvt Ltd.	India	Kanpur Plastipack Ltd.	100%	100%
Kanplas Do Brasil LTDA	Brasil	Kanpur Plastipack Ltd.	100%	N.A. incorporated on 26.04.2022

These Financial Statements were authorized by the Board of Directors for issue in accordance with the Resolution passed on 26th May, 2023.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance: These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

2.2 Basis of Preparation and Presentation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended; and the other relevant provisions of the Acts and Rules thereunder.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i) Certain financial assets and liabilities that are measured at fair value

ii) Defined benefit plans-plan assets/liabilities measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to nearest lakhs (₹ 00,000), except where otherwise indicated.

2.3 Basis of consolidation

The Company consolidates all entities which are controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases. The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Changes in the Company's interests in subsidiaries that do not

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

The Functional Currencies of the Parent company and two subsidiaries is Indian Rupees. The company has made the required translation adjustments in respect of its offshore Subsidiary.

2.4 Current V. Non-Current Classification:

The Group presents assets and liabilities in the balance sheet based on current/non- current classification.

(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for purpose of trading.
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its general operating cycle.

2.5 Use of Estimates, Assumptions and Judgements: The preparation of these consolidated financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments:

In the process of applying the Group's accounting policies, management of the respective companies within the Group have made the following judgments, which have a significant effect on the amounts recognised in the financial statements:

i. Recoverability of Debts/advances

There are several debts outstanding in the ordinary course of business, some of which remain outstanding beyond their due date. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such debts/ advances to be good and recoverable and classified the same as Current Assets.

ii. Estimates:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

iii. Taxes, including Evaluation of recoverability of Deferred tax assets and liabilities:

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the constituent entities of the Group.

iv. Gratuity benefit:

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuation. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

v. Fair value measurement of financial instrument:

The fair value of financial assets and financial liabilities recorded in the balance sheet has been arrived at on the basis of the quoted prices in active markets, wherever available. For such financial assets and financial liabilities which cannot be measured based on quoted prices in active markets, their fair value is measured using other accepted valuation techniques. Changes in assumptions used in applying these methods could affect the reported fair value of financial instruments.

vi. Warranty provision/Quality Claim

Provision for quality claims is determined based on the historical percentage of claims' expense to sales for the same types of goods for which the claim is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the expected claim expense to be accrued. It is adjusted to account for unusual factors, if any. It is very unlikely that actual claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

vii. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

viii. Provisions and Contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Judgements include estimating the probability of the cash outflows for the present obligations and accordingly provisions are determined and reviewed at the end of each reporting period and are adjusted to reflect current best estimates.

The Company uses significant judgement to identify and measure contingent liabilities. Contingent liabilities are 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities in relation to assessment/litigations can involve complex issues, which can only be resolved over extended time periods.

2.6 Property, Plant and Equipment

i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

ii) The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes, if any), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

iii) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes forming part of the Consolidated Financial Statements

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iv) Spare parts which meet the definition of Property, plant and equipment are capitalized as Property, plant and equipment. In other cases, the spare parts is inventorised on procurement and charged to Statement of Profit and Loss on consumption.

v) An item of Property, plant and equipment and any significant part initially recognised separately as part of Property, plant and equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in the Statement of Profit and Loss on consumption.

vi) The residual value and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

vii) In the earlier years, the Company had elected to use exemption available under Ind AS 101 to continue with the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind-ASs, measured as per previous GAAP and use that as its deemed cost as at the transition date.

viii) Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

ix) Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013.The useful lives for various categories of property, plant and equipment are as given below:

Sl. No.	Description	Useful Life as per Schedule II of the Companies Act, 2013	Useful life
1.	Office Buildings	60 years	60 years
2.	Factory Buildings	30 years	30 years
3.	Plant and equipment qualifying as Continuous Process Plant	25 years	25 years
4.	Other Plant and Equipment for three shift working (Useful life is estimated for a three shift working)	Single shift- 15 years Triple Shift- 7.50 years	15 years/ 7.50 years
5.	Other Equipment	10 years	7.5 years
6.	Furniture and fittings	10 years	10 years
7.	Office equipment	05 years	05 years
8.	Vehicles- Four wheelers	08 years	08 years
9.	Vehicles- Two wheelers	10 years	10 years
10.	Computers and peripherals	Servers- 06 years Others-03 years	03 years
11.	Computer software	As per Ind-AS 38	03 years

x) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

xi) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

xii) Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

2.7 Inventories:

i. **Basis of Valuation**: Inventories are stated at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

ii. **Method of Valuation**- Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis.

iii. The inventories of finished goods, which were in transit or lying at port as at the reporting date have been valued at lower of cost and market value. The cost has been worked out as per the Retail Method.

The inventories have been physically taken by the management periodically during the year.

Notes forming part of the Consolidated Financial Statements

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2.8 Revenue Recognition:

The Group derives its revenues primarily from sale of merchandise and C&F commission agency services.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding central taxes or duties collected on behalf of the Government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are net of returns, trade discounts, rebates, but including Goods and Services Tax collected on behalf of the Government. However, the GST collected and paid has been shown as a deduction under the heading 'Revenue from Operations' and only the net Revenue from Operations has been stated in the Statement of Profit and Loss.

The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised:

a) Sale of goods:

a. Inland sales have been accounted for at the time of dispatch of goods from the factory.

b. Export Sales have been recognized only after the company looses control over the material i.e. once the goods have been shipped on board.

c. Sales have been recorded net of rebates and trade discounts but are grossed up for Goods and Services Tax collected thereon.

b) Commission Income

Commission income is recognized to the extent it is probable that economic benefits will flow to the company and the revenue can be reliably measured and the company has contractual right to such revenue.

c) Interest Income

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

2.9 Employee Benefits:

Short term employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the entities within the group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The entities within the group contributes a part of the contributions to the Government administered Provident/Pension Fund. The entities within the group have no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable through the provident fund scheme as an expense, when an employee renders related services.

Other long term employee benefits

The Group does not have any structured Employee's Gratuity Fund Scheme. However the Group provides for its gratuity liability as a defined benefit gratuity plan that provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment in accordance with "The Payment of Gratuity Act, 1972". The amount is based on the respective employee's last drawn salary and the tenure of employment with the Company. The liabilities with respect to Gratuity Plan are determined by actuarial valuation. The Company does not make any contributions and meets its gratuity liability from its own sources as and when the claims arise.

2.10 Government Grants:

- Government Grants are recognised at their realizable value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.
- Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses.
- Government grants related to property, plant and equipment are recognised as deferred income.

Notes forming part of the Consolidated Financial Statements

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2.11 Borrowing Costs

- Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowings costs are charged to the Statement of Profit and Loss.

2.12 Foreign currencies

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the Holding entity operates ('the functional currency'). The Group's Consolidated financial statements are presented in Indian rupee (₹) which is also the Holding Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the prescribed exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the period in which they arise.

2.13 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.14 Offsetting of financial Assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.15 Taxes

Tax expense for the year comprises of current tax and deferred tax.

a) Current Tax

(i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

(ii) Current income tax relating to item recognised outside the Statement of Profit and Loss is recognised outside Profit or Loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax

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assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

2.16 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share consolidation, without a corresponding change in resources, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares, if any.

The partly paid up equity shares, if any, are treated as potential equity shares in accordance with Ind-AS 33, for the period for which the same remained partly paid up.

2.17 Provisions, Contingent Liabilities and Commitments

(i) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

(iii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in provision due to the passage of time is recognized as a finance cost.

(iv) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

(v) Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

(vi) A contingent asset is a possible asset 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 recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

2.18 Several debit and credit balances are subject to confirmation by parties.

2.19 Cash Dividend to Equity shareholders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

2.20 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

Notes forming part of the Consolidated Financial Statements

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2.21 Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount

2.22 Leases

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.

Group as a lessee

In respect of the Operating Lease which are of a long term nature or of a significant value, the Group recognises right-of-use the asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the company's depreciation policy for Property, Plant and Equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. None of the lease arrangements of the company qualified for the above said treatment owing to the fact that the same were of a short term nature and/or of a value which was not considered material.

2.23 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker; which is the committee constituted by the Managing Director, The Dy.Managing Director and the Executive Director of the Company.

2.24 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the respective Company.

The fair value of an asset or liability is measured in accordance with Ind-AS 113, using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. , described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The quantitative disclosures of fair value measurement hierarchy are contained in Note No.40.

RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below.

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their "material accounting policies' rather than their "significant accounting policies". Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes forming part of the Consolidated Financial Statements

as at 31st March, 2023

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Lease Hold Land	Freehold Land	Buildings	Vehicles	Furniture & Fittings	Office Equipment	Plant & Machinery	Grand Total	Intangible Assets	Capital Work In Progress
AT COST										
Cost as at 01st April, 2021	384.88	728.41	6,349.03	511.97	336.18	474.24	15,387.68	24,172.39	73.88	230.02
Additions	–	1,648.36	536.23	23.23	63.30	72.61	1,651.68	3,995.41	–	287.68
Disposals/Transfer	–	–	–	7.59	10.38	78.74	239.00	335.71	–	313.96
Cost as at 01st April, 2022	**384.88**	**2,376.77**	**6,885.26**	**527.61**	**389.10**	**468.11**	**16,800.36**	**27,832.09**	**73.88**	**203.74**
Additions	–	53.14	25.46	0.98	44.85	86.90	600.27	811.60	–	4,190.75
Disposals/Transfer	–	–	–	6.81	–	0.75	340.90	348.46	–	758.46
As at 31st March, 2023	**384.88**	**2,429.91**	**6,910.72**	**521.78**	**433.95**	**554.26**	**17,059.73**	**28,295.23**	**73.88**	**3,636.03**
Depreciation as at 01st April, 2022	73.82	–	1,208.61	219.57	137.02	346.99	4,456.35	6,442.36	73.88	–
Charge for the Year	4.87	–	216.12	58.00	38.21	61.69	748.65	1,127.54	–	–
Transfers	–	–	–	3.57	–	0.07	111.15	114.79	–	–
As at 31st March, 2023	**78.69**	**–**	**1,424.73**	**274.00**	**175.23**	**408.61**	**5,093.85**	**7,455.11**	**73.88**	**–**
NET CARRYING AMOUNT										
As at 31st March, 2022	**311.06**	**2,376.77**	**5,676.65**	**308.04**	**252.08**	**121.12**	**12,344.01**	**21,389.73**	**–**	**203.74**
As at 31st March, 2023	**306.19**	**2,429.91**	**5,485.99**	**247.78**	**258.72**	**145.65**	**11,965.88**	**20,840.12**	**–**	**3,636.03**

(a) Details of property, plant and equipment pledged against borrowings is presented in note 15 & 18

(b) **Ageing Schedule for Capital Work - In - Progress -:**

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of									
	Less than 1 year		1-2 years		2-3 years		More than 3 years		Total	
Particulars	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
- Projects in progress										
New Project- Cast Polypropylene (CPP) film	3,216.38	190.87	–	–	–	–	–	–	3,216.38	190.87
Upgradation/Extention in Existing facilities	419.65	12.87	–	–	–	–	–	–	419.65	12.87
Total	**3,636.03**	**203.74**	**–**	**–**	**–**	**–**	**–**	**–**	**3,636.03**	**203.74**

Notes forming part of the Consolidated Financial Statements

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NOTE 4 : LONG TERM INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1. Investment in Equity Shares		
(Unquoted Equity Shares, Valued at Cost)		
Investment in Uncontrolled Structured Companies	299.98	299.98
(Amplus Green Power Pvt. Ltd. Representing 3.75% Equity Shares)		
(1719061 (PY-1719061) Eq. Shares of ₹10/- each fully paid up)		
	299.98	**299.98**

NOTE 5 : OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Secured, Considered Good		
(b) Unsecured, Considered Good		
(i) Other Deposits		
-Stamp Duty paid under Protest	29.07	29.07
-Security Deposits to Government and others	270.6	274.89
	299.67	**303.96**
(c) Doubtful	-	-
	299.67	**303.96**

NOTE 6 : OTHER NON-CURRENT ASSETS

(Unsecured , Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	628.84	881.76
VAT Recoverable (Taxes under protest)	5.45	5.45
	634.29	**887.21**

CURRENT ASSETS :

NOTE 7 : INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Raw Material	3,431.12	5,081.62
2 Raw Material (in Transit)	31.51	329.64
3 Goods -in-Process	2,421.80	2,964.68
4 Finished Goods (including goods lying at port)	2,030.95	2,887.18
5 Stores & Spares/ Others	409.46	455.78
	8,324.84	**11,718.90**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 8 : CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investments at Fair Value Through Profit or Loss		
Investment in Mutual Funds (Cost as at 31/03/2023 ₹37.14 Lacs (PY ₹40.75 Lacs)	39.51	41.36
	39.51	**41.36**

NOTE 9 : TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
– Secured trade receivables- considered Good	–	–
– Un-Secured trade receivables- considered good	4,885.36	5,729.91
– Trade Receivables which have significant increase in credit risk	–	382.45
– Trade Receivables - Credit impaired	–	–
	4,885.36	**6,112.36**

Trade Receivables Ageing Schedule

(₹ in Lakhs)

Particulars		Outstanding for following periods from the date of the transaction					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	CY	4,838.36	45.00	0.86	–	1.14	4,885.36
	PY	5,718.34	9.61	0.32	1.64	–	5,729.91
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	CY	–	–	–	–	–	–
	PY	382.45	–	–	–	–	382.45
(iii) Undisputed Trade Receivables – credit impaired	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(iv) Disputed Trade Receivables– considered good	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(v) Disputed Trade Receivables – which have significant increase in credit risk	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
(vi) Disputed Trade Receivables – credit impaired	CY	–	–	–	–	–	–
	PY	–	–	–	–	–	–
Total	**CY**	**4,838.36**	**45.00**	**0.86**	**–**	**1.14**	**4,885.36**
	PY	**6,100.79**	**9.61**	**0.32**	**1.64**	**–**	**6,112.36**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 10 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	2.44	3.34
Balances with Banks:		
Current Accounts	144.94	23.13
	147.38	**26.47**

NOTE 11 : OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balances with banks		
Unclaimed dividend balances with bank	42.20	55.79
FDRs held as Margin Money with Banks	177.58	196.46
	219.78	**252.25**

The Fixed Deposits with Banks are in the nature of margin money towards LC and BG Limits

NOTE 12 : OTHER CURRENT ASSETS :

SHORT-TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Income Tax Refund Receivable	93.04	64.68
(b) Others loans & advances considered good		
1 Advance to Staff	52.95	48.73
2 Pre-paid Expenses	172.71	175.01
3 Advances to Suppliers & Others	103.76	191.61
4 Refundable Share Application Money	–	–
5 Interest Recoverable	16.17	19.46
6 Custom Duty/Electricity Duty Refundable	292.70	0.02
7 GST Recoverable		
(i) GST Refundable	–	22.23
(ii) ITC Receivable	483.12	233.94
8 Security deposits with Govt and Others	19.76	–
	1,234.21	**755.68**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

EQUITY & LIABILITIES :

NOTE 13 : EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Authorised Capital		
300 Lakhs (PY 200 Lakhs) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
20 Lakhs (PY 20 Lakhs) Preference Shares of ₹ 10/- each	200.00	200.00
	3,200.00	**3,200.00**
A. Issued, Subscribed and Paid-up Capital		
21466758 Equity Shares of ₹ 10/- each fully called and paid up		
(i) 21466758 (Previous years 14312564) Equity Shares of ₹ 10/- each fully paid up	2146.68	1,431.26
(ii) CY, NIL (Previous years 7154194) Equity Shares of of ₹ 10/- each fully paid up issued as Bonus	-	715.42
(iii) Share Forfeiture Account (14081 Shares called up ₹ 10/- each and paid up ₹ 5/- each)	0.70	0.70
	2,147.38	**2,147.38**

B Terms and Rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees only in proportion to the paid up value of the equity shares.

The Final dividend if any 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 holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C Reconciliation of number of equity shares outstanding as at the beginning and end of the year:

PARTICULARS	Number of Shares	Amount ₹ in Lakhs
Outstanding as at 31st March, 2021	1,43,12,564	1,431.26
Equity Shares Issued during Financial Year ended 31st March, 2022 for Cash consideration	–	–
Equity Shares Issued during Financial Year ended 31st March, 2022 as Bonus Issue	71,54,194	715.42
Outstanding as at 31st March, 2022	2,14,66,758	2,146.68
Equity Shares Issued during Financial Year ended 31st March, 2023 for Cash consideration	–	–
Outstanding as at 31st March, 2023	**2,14,66,758**	**2,146.68**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 13 : EQUITY SHARE CAPITAL (Contd..)

D. Details of shareholders holding more than 5% shares in the Company is set out below

(representing legal and beneficial ownership):

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Mahesh Swarup Agarwal	32,63,601	15.20%	34,63,601	16.13%
Usha Agarwal	31,14,799	14.51%	30,14,799	14.04%
Manoj Agarwal	21,39,784	9.97%	20,36,784	9.49%
Shashank Agarwal	17,86,846	8.32%	16,35,846	7.62%
MSA Investments & Trading Co. Private Limited	14,22,189	6.63%	14,22,189	6.63%
KSM Exports Limited	11,30,151	5.26%	11,30,151	5.26%

E. Details of Promoters' share holdings in the Company is set out below

(representing legal and beneficial ownership):

		Shares held by promoters at the end of the year				
		Number of shares held		% of holding		% Change during the year
S. No.	Promoter Name	21-22	22-23	21-22	22-23	
1	Mahesh Swarup Agarwal	34,63,601	32,63,601	16.13%	15.20%	–0.93%
2	Usha Agarwal	30,14,799	31,14,799	14.04%	14.51%	0.47%
3	Manoj Agarwal	20,36,784	21,39,784	9.49%	9.97%	0.48%
4	Shashank Agarwal	16,35,846	17,86,846	7.62%	8.32%	0.70%
5	Manoj Agarwal HUF	6,06,665	2,00,000	2.83%	0.93%	–1.90%
6	Alka Jain*	5,22,247	–	2.43%	–	–2.43%
7	Manjari Agarwal	5,09,788	5,66,453	2.37%	2.64%	0.27%
8	Jayatika Goyal*	4,05,000	–	1.89%	–	–1.89%
9	Kanika Mahadevwala*	3,17,250	–	1.48%	–	–1.48%
10	Kaira Agarwal	2,00,000	2,00,000	0.93%	0.93%	–
11	Reyaansh Agarwal	–	2,00,000	–	0.93%	0.93%
12	Shashank Agarwal HUF	1,50,200	1,50,200	0.70%	0.70%	–
13	MA Private Family Trust	55,653	76,153	0.26%	0.35%	0.09%
14	UA Private Family Trust	36,900	36,900	0.17%	0.17%	-
15	Shashank Private Family Trust	26,175	29,748	0.12%	0.14%	0.02%
16	MSA Investment And Trading Company Pvt Ltd	14,22,189	14,22,189	6.63%	6.63%	-
17	KSM Exports Limited	11,30,151	11,30,151	5.26%	5.26%	-
18	KPL Packaging Pvt Ltd	2,415	2,415	0.01%	0.01%	-
19	Raghushree Earning Solutions LLP	1,589	6,556	0.01%	0.03%	0.02%
		1,55,37,252	**1,43,25,795**	**72.37%**	**66.73%**	**–5.64%**

*Consequent to the order of Stock Exchanges (BSE and NSE) dated 30/09/2022 shareholding has been re-classified from promoters group category to public category.

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 14 : OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. SECURITIES PREMIUM ACCOUNT		
Balance at the beginning of the year	791.66	1,507.08
Less: Deduction/Transfer	–	715.42
Balance as at the end of the year	**791.66**	**791.66**
B. CAPITAL REDEMPTION RESERVE		
Balance at the beginning of the year	200.00	200.00
Add: Transfer from Retained Earnings	–	–
Balance as at the end of the year	**200.00**	**200.00**
Nature & Purpose of the Reserve is as under :		
The reserve was created in term of Sec 55 of the Companies Act, 2013 towards redemption of Preference Shares. An amount equal to nominal value of the shares redeemed was transfered to this reserve out of the profits. The reserve can be utilised for issue of bonus shares		
C. GENERAL RESERVE		
Balance at the beginning of the year	124.34	124.34
Add: Transfer from Retained Earnings	–	–
Less: Transferred to Capital Redemption Reserve	–	
Balance as at the end of the year	**124.34**	**124.34**
D. FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the year	–	–
Add: Transfer from Retained Earnings	6.95	–
Less: Transfer to Retained Earnings	–	–
Balance as at the end of the year	**6.95**	**–**
E. RETAINED EARNINGS		
Balance at the beginning of the year	14,636.41	12,482.84
Add: Net Profit/(Loss) for the Year as per the Statement of Profit & Loss	360.77	2,554.32
	14,997.18	**15,037.16**
Less:		
(i) Transferred To Foreign Currency Translation Reserve	6.95	–
(ii) Final Dividend on Equity Shares paid during the Year	257.60	257.62
(Amount per share ₹ 1.20/- , Previous Year ₹ 1.80 /- per Equity Share)		
(iii) Interim Dividend on Equity Shares paid during the Year for current year	–	143.13
(Amount per share ₹ NIL , Previous Year ₹ 1.00 /- per Equity Share)		
	264.55	**400.75**
Balance as at the end of the Year	14,732.63	14,636.41
	15,855.58	**15,752.41**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 15 : LONG TERM BORROWINGS :

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Term Loans from banks (Secured)	7,292.59	6,835.00
Vehicle Finance under Hire purchase	3.07	10.02
	7,295.66	**6,845.02**

15.1 Term Loans from State Bank of India in INR , Balance Outstanding is ₹ 4367.30 Lakhs, (Previous Year ₹ 1718.38 Lakhs).
Foreign Currency Term Loan (USD) from State Bank of India, Balance NIL (PY 2103.40 Lakhs).

15.2 Term Loans from HDFC Bank Ltd. INR , Balance Outstanding is ₹ 1744.47 Lakhs, (Previous Year ₹ 26.57 lakhs).
Foreign Currency Term Loan (USD) from HDFC Bank Ltd., Balance - NIL (PY ₹ 2802.27 lakhs).

15.3 Term Loans from AXIS Bank Ltd. INR , Balance Outstanding is ₹ 2767.91 Lakhs, (Previous Year ₹ 470.75 lakhs).
Foreign Currency Term Loan (USD) from AXIS Bank Ltd., Balance - ₹ NIL (PY 1520.63 Lakhs).

15.4 The above Term Loans are secured by the assets created through the respective loans, including immovable assets of the company situated at Fatehpur Roshnai, Dist Akbarpur, Gajner Road; at D-19 and D-20, Site I Panki Industrial Area, Kanpur and at A1-A2, Site 5 (Udyog Kunj), Panki Industrial Area, Kanpur.

15.5 Veichle Financed from HDFC Bank Ltd. INR , Balance Outstanding is ₹ 10.03 Lakhs, (Previous Year ₹ 24.42 lakhs).

15.6 The above Term Loans have been guaranteed (Personal) by Chairman Cum Managing Director and Deputy Managing Director.

15.7 Vehicle Finance under Hire purchase is Secured by Hypothecation of Vehicles of the company and are repayable over a period of 5 Years.

The installments due in the succeeding twelve months in respect of the above loans have been classified under Current Liabilities in Note No.18, as 'Current Maturities of Debts'.

NOTE 16 : LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provisions for Employee Benefit Obligations	766.79	700.27
	766.79	**700.27**

NOTE 17 : DEFFERED TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Deferred Tax Liabilities		
Depreciation and amortisation	2,148.69	2,227.27
2 Deferred Tax Assets		
Employee benefits	(269.41)	(282.81)
Deferred income-Capital Subsidy	(138.97)	–
MAT Credit Entitlement	–	–
	1,740.31	**1,944.46**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

Reconciliation of tax expense and accounting profit multiplies by the domestic tax rate for 31st March, 2023 and 31st March, 2022

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	31st March, 2022
Accounting profit before Income Tax	206.56	3,655.96
Applicable Tax Rate	25.17%	29.12%
Computed Tax Expense	51.99	1,064.62
Adjustment in respect of current income tax of previous years	16.31	4.14
Impact of change in tax rate for calculation of DTA/DTL	(263.95)	–
Utilisation of unrecognised unabsorbed depreciation/carried forward losses/MAT credit	16.30	8.85
Effect of Non deductible adjustments for tax purposes	32.09	23.64
Income Tax at effective tax rate	(147.26)	1,101.25

NOTE 17A : OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Income- Subsidy against Capital Investment	552.15	–
	552.15	**–**

CURRENT LIABILITIES :
FINANCIAL LIABILITIES

NOTE 18 : BORROWINGS FROM BANK

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Working Capital Loans in INR (Refer to Notes 18.1 to 18.6 below)	7,673.61	9,603.36
Current Maturities of :		
1 Long Term Debt	1,587.10	1,807.00
2 Finance Lease Obligations on Vehicle	6.95	14.40
	9,267.66	**11,424.76**

18.1 It includes Bill Purchase Account of ₹ 1282.55 Lacs. (Previous Year ₹ 2085.54 Lacs)

18.2 Working Capital Loans from State Bank of India in INR in Cash Credit (Hypo) , Export Packing Credit & Cash Credit(Book Debts), SBI COVID Loan , Balance Outstanding (₹ in Lacs) 5288.25 (previous year (₹in Lacs) 6672.45).

18.3 Working Capital Loans from HDFC Bank Limited in INR in Cash Credit (Hypo) , Export Packing Credit, Balance Outstanding (₹in Lacs) ₹ 397.84 (previous year (₹ in Lacs) ₹ 234.36).

18.4 Working Capital Loans from AXIS Bank Limited in INR in Cash Credit (Hypo) , Export Packing Credit, Balance Outstanding (₹in Lacs) ₹105.00 (previous year (₹ in Lacs) ₹ 186.88).

18.5 Working Capital Loans in INR from State Bank of India in Cash Credit Limits under E-DFS Scheme , Balance Outstanding of (₹ in Lacs) 599.98 (previous year (₹ in Lacs) 424.13) Consignment Stockist (IOCL) Division.

18.6 The working capital limits (total sanctioned limit ₹ 130 Cr.) is under a consortium arrangement, with State Bank of India being the lead bank. The loans are secured by hypothecation of stocks of Raw Materials, Goods in Process, Finished Goods, Spares,Book Debts, Export Documents etc.. The immovable properties of the company are held as collateral security by the Consortium.

18.7 The above Working Capital Loans have been guaranteed (Personal) by Chairman Cum Managing Director and Deputy Managing Director.

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 19 : TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Trade Payable for purchase of Raw Material & Store,Spares	940.32	633.49
(Refer Note 19.1 Below)		
2 Trade Payable for Services Received	494.00	878.11
	1,434.32	**1,511.60**
As regards the disclosure requirements under the Micro, Small & Medium Enterprises Development Act, 2006, and Schedule III of the Companies Act, 2013, it may be mentioned that the company had called for information and details from its 'Suppliers' regarding their registration status and classification under the Act as Medium, Small or Micro enterprises. Based on the information received upto the date of these Financial Statements, the Trade Payables are classified as under:		
Amount due to Suppliers being Micro and Small Enterprises	96.14	82.63
Amount due to Others	1,338.18	1,428.97
	1,434.32	**1,511.60**

19.1 (Including (₹in Lacs) 342.93 (Previous Year ₹ 274.83 in Lacs) of Consignment Stockist (IOCL) Division.

Trade Payable Ageing Schedule

Particulars		Outstanding for following periods from the date of the transaction				
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	CY	96.14	–	–	–	96.14
	PY	82.63	–	–	–	82.63
(ii) Others	CY	1,331.10	6.04	1.04	–	1,338.18
	PY	1,425.77	3.20	–	–	1,428.97
(iii) Disputed dues – MSME	CY	–	–	–	–	
	PY	–	–	–	–	–
(iv) Disputed dues – Others	CY	–	–	–	–	
	PY	–	–	–	–	–
Total	**CY**	**1,427.24**	**6.04**	**1.04**	**–**	**1,434.32**
	PY	**1,508.40**	**3.20**	**–**	**–**	**1,511.60**

NOTE 20 : PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Provision for Quality Claim	26.66	66.52
2 Employee Benefits (Leave Wages/Bonus/Gratuity)	544.98	512.62
	571.64	**579.14**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 21 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1 Advances From Customers & Others	125.33	172.56
2 TDS Payable	33.58	36.60
3 Unpaid Dividend	42.20	55.79
4 Unpaid-salary & wages	259.45	276.08
5 Payables in respect of Capital Goods	257.73	19.19
6 Share Application Money Pending for Refund	–	–
7 Retention Money From Supplier	–	1.00
8 Outstanding Liabilities	340.59	568.99
	1,058.88	**1,130.21**

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(I) Sale of Products		
(i) Plastic Products(Indigenous)	12,273.95	15,191.04
(ii) Plastic Products (Export)	34,584.55	44,534.78
(iii) By-Products	971.47	1,287.32
	47,829.97	**61,013.14**
(II) Sale - Trading of Stock -in-Trade		
(i) Plastic Granules/ Others	1,559.04	3,870.91
(ii) Merchant Exports	–	73.85
	1,559.04	**3,944.76**
(III) Other Operating Revenue		
(i) Commission received(on Consignment Stock sales IOCL)	88.11	103.17
(ii) Sale of scrap	129.05	125.09
	217.16	**228.26**
Total Revenue From Operations (I+II+III)	**49,606.17**	**65,186.16**
Less : Goods & Service Tax	1,947.06	2,678.82
	47,659.11	**62,507.34**

NOTE 23 : OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(i) Export Incentives (Focus Market/Product scheme)	–	160.11
(ii) Miscellaneous income	30.24	9.28
(iii) Interest Received	113.82	125.47
(iv) Net Gain on Foreign Exchange Fluctuation	298.27	971.87
(v) Profit on Sale of Investment	0.28	0.32
(vi) Capital subsidy	4.38	–
(vii) Gain on revaluation of Investments	1.80	0.54
	448.79	**1,267.59**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 24 : COST OF THE MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock :		
Raw Materials	5,081.62	3,107.69
Add : Purchases	25,122.94	37,429.30
Less : Closing Stock	3,431.12	5,081.62
Materials Consumed	**26,773.44**	**35,455.37**

NOTE 25 : PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Purchase of Plastic Granules / Others	1,517.53	3,760.94
	1,517.53	**3,760.94**

NOTE 26 : CHANGES IN INVENTORIES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Opening Stock :		
Goods in Process	2,964.68	2,619.04
Finished Goods	2,887.18	1,852.12
Less : Closing Stock		
Goods in Process	2,421.80	2,964.68
Finished Goods (Includes Goods in Transit)	2,030.95	2,887.18
(Increase) Decrease in Stock	**1,399.11**	**(1,380.70)**

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March 2022
(i) Salaries, Wages, Bonus & Others	3,515.19	3,409.75
(ii) Contribution to Provident and other Funds	225.37	211.53
(iii) Security and contractors Salary	1,156.79	1,170.24
(iii) Staff welfare expenses	458.70	534.36
(iv) Directors' Remuneration	196.41	232.93
(v) Directors' Commission	–	191.70
	5,552.46	**5,750.51**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 28 : OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Stores and Spares Consumed	991.18	1,241.77
Power and Fuel	1,786.06	2,393.35
Other Direct Expenses	2,542.93	3,023.45
Repairs and Maintenance		
– Building'	67.68	139.58
– Plant and Machinery	82.89	80.92
– Others	59.03	57.06
Advertisement and Publicity	4.32	8.12
Traveling and Conveyance		
– Directors'Traveling including Foreign Travel	59.23	11.12
– Sales Staff	57.83	18.28
– Other	30.90	17.61
Transportation Expenses	241.19	216.49
Selling and Promotional Expenses	82.39	193.13
Freight and Forwarding	3,136.70	5,574.56
Claims and Discount	67.89	106.76
Bad Trade Receivables/Advances Written Off	14.88	13.98
Legal and Professional	246.29	279.37
Meeting, Recruitment & Training Expenses	24.84	22.33
Printing and Stationery/ Books and Periodicals	40.98	39.54
Vehicle Maintenance	53.28	42.36
Rent	38.04	63.30
Rates and taxes	36.79	35.32
Corporate Social Responsibility	43.63	49.90
Communication Expenses	70.93	50.21
Auditors' Remuneration		
Audit Fees	7.41	7.31
Tax Audit Fees	1.00	1.00
Subscription and Memberships	13.64	9.68
Insurance Expenses	278.74	250.52
Directors' Sitting Fees	9.75	12.88
Miscellaneous Expenses	7.04	15.52
Loss on disposal of Fixed Assets	202.98	30.73
	10,300.44	**14,006.15**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 29 : FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
(i) Interest to Bank & others	1,095.84	1,262.20
(ii) Bank Charges	126.76	153.15
	1,222.60	**1,415.35**

NOTE 30 : DIVIDEND

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders . A corresponding amount is recognised directly in equity.

The dividends paid in the years reported in these financial statements are duly disclosed in the Statement of changes in Equity of the year in which payment has been made, irrespective of the year for which the same were proposed.

Dividends paid during the year ended 31st March, 2023 include an amount of ₹ 1.20 per equity share towards final dividend for the year ended 31st March, 2022.

Dividends declared by the Company are based on the profit available for distribution. The Board of Directors of the Company have proposed a final dividend of 5% i.e ₹ 0.50 per equity share in respect of the year ended 31st March, 2023. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 1.07 Cr.

NOTE 31 : SEGMENT REPORTING

The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organized into business segment based on its products and services and has three reportable segments as follows:

a) Operating Segments

Plastic Division	:	Domestic and Export sale of manufactured and traded plastic products
Consignmnet Stockiest	:	Consignment Stockiest for Indian Oil Corporation Ltd.
Solar Power Division	:	Generation and supply of power. The same is consumed by the company in its manufacturing operations.

b) Summary of Segmental Information

(₹ in Lakhs)

Particulars	Plastic Division		Consignment Stockiest		Solar Power Division		Total Operations	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
1. Segment Revenue	47,571.00	62,404.17	88.11	103.17	20.30	38.99	47,679.41	62,546.33
Less:Inter Segment Revenue	–	–	–	–	–	–	–	–
Net Sales/Income from Operations	**47,571.00**	**62,404.17**	**88.11**	**103.17**	**20.30**	**38.99**	**47,679.41**	**62,546.33**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

(₹ in Lakhs)

Particulars	Plastic Division		Consignment Stockiest		Solar Power Division		Total Operations	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
2. Other Revenue	561.89	1,157.28	90.65	110.31	(203.75)	–	448.79	1,267.59
Total Income	**48,132.89**	**63,561.45**	**178.76**	**213.48**	**(183.44)**	**38.99**	**48,128.20**	**63,813.92**
2. Segment Results (Profit Before Tax and Interest)	1,493.10	4,929.16	131.40	171.77	(187.12)	21.13	1,437.38	5,122.06
Less : Unallocated Interest Finance Charges	1,182.76	1,392.12	39.84	23.23	–	–	1,222.60	1,415.35
Total Profit before tax	**310.34**	**3,537.04**	**91.56**	**148.54**	**(187.12)**	**21.13**	**214.78**	**3,706.71**
3. Capital Employed(Segment Assets - Segment Liabilities)	17,951.70	17,560.85	20.55	73.47	30.71	265.48	18,002.96	17,899.79
4. Segment Assets	40,658.69	41,768.69	–	–	31.68	266.56	40,690.37	42,035.25
5. Depreciation	1,122.41	1,047.17	–	–	5.13	13.43	1,127.54	1,060.60

c) The assets and liabilities as mentioned in the Balance Sheet include the following amounts as related to Consignment Stockiest Division of the Company

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i. Trade Receivables	944.30	764.84
ii. Cash & Bank Balances	9.96	0.22
iii. Short Term Loans & Advances	9.20	7.36
iv. Net Inter Branch Balances	20.55	73.47
v. Trade Payable	342.93	274.83
vi. Other Current Liabilities	–	–
Vii. Short Term Borrowings	599.98	424.12

d) The assets and liabilities as mentioned in the Balance Sheet include the following amounts as related to Solar Power Division of the Company

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
I. Property, Plant And Equipment	31.68	266.56
ii. Trade Receivables	–	–
iii. Cash & Bank Balances	–	–
iv. Other Current Assets	0.22	0.11
v. Net Inter Branch Balances	30.71	265.48
vi. Trade Payable	0.87	0.87
vii. Other Current Liabilities	0.32	0.32
Viii. Long Term Borrowings	–	–

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 32 : EARNING PER SHARE

Earning per Share (EPS) is computed in accordance with Ind-AS – 33- "Earning Per share" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015).

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Basic Earning Per Share		
Numerator of EPS		
Net Profit after Tax	363.41	2,619.85
Denominator of EPS		
Weighted Average Number of equity share of ₹ 10/- each ##	21466758	21466758
Basic Earnings per share	**1.69**	**12.20**
Diluted Earning Per Share		
Numerator of EPS		
Net Profit after Tax (As per Profit/ Loss Account after adjustment for preference dividend and Tax thereon)	363.41	2619.85
Denominator of EPS		
Weighted Average Number of equity share of ₹ 10/- each	21466758	21466758
Diluted Earning per Share	**1.69**	**12.20**

The number of partly paid up shares oustanding during the preceding year has been adjusted for the paid up value for the relevant period.

The Weighted average number of shares have been worked out on the basis of number of days for which the same were outstanding during the preceding year.

The shares forfieted by the company have been considered upto the date of forfieture.

NOTE 33 : CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Counter Guarantees given to Bank for issue of performance guarantees by Bank.	561.87	662.22
Legal Undertakings submitted to DGFT under duty exemption Scheme for duty free import of raw materials (to the extent of obligations upto the reporting date)	454.83	1,508.60
Labour cases pending with Labour Courts / High Court	12.00	12.00

The company regularly imports material under the Advance Authorisation scheme whereby exemption from payment of basic customs duty and GST is available as per the scheme, subject to fulfilment of export obligation by the importer, using the imported material. Vide Notification No.79/2017-Cus., dated 13th October 2017, inter alia, a pre-import condition was imposed in order to avail benefit of the scheme. Thereafter the said condition was removed vide Notification No. 01/2019-Cus., dated 10th January, 2019. The matter of levy of GST for the intermittent period was subject matter of litigation, which has finally been decided in favour of the revenue by the Hon'ble Apex Court in the case of UOI v. Cosmo films Limited - 2023- VIL-47-SC. However, since the related Rules are yet to be Notified, the company's liability, if any, in respect thereof cannot be quantified.

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 34 : RELATED PARTY DISCLOSURES

Disclosure of transactions with related parties as required by IND Accounting Standard 24

(As identified by the management)

The company's related party transactions during the year and outstanding balances as on 31.03.2023 are as under:

Disclosures related to Key Managercial Person(s) of Entity/Parent Entity:

(₹ in Lakhs)

Name	Relationship	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Mahesh Swarup Agarwal	Chairman Emeritus (Upto May 22)	Remuneration	–	28.00
Mahesh Swarup Agarwal	Chairman Emeritus (Upto May 22)	Sitting Fee	–	0.23
Manoj Agarwal	Chairman Cum Managing Director	Salary, Allowances And Perquisites	81.30	173.04
Shashank Agarwal	Deputy Managing Director	Salary, Allowances And Perquisites	68.34	159.95
Sunil Mehta	Executive Director	Salary, Allowances And Perquisites	61.00	56.45
Usha Agarwal	Non Executive Director	Rent	7.20	7.20
Usha Agarwal	Non Executive Director	Sitting Fee	1.00	1.20
Prem Singh Khamesra	Independent Director	Sitting Fee	1.03	2.23
Subodh Kumar	Independent Director	Sitting Fee	1.05	2.43
Ram Gopal Bagla	Independent Director	Sitting Fee	0.25	2.50
Akshay Kumar Gupta	Independent Director	Sitting Fee	0.95	2.18
Dharam Bir Prasad	Independent Director	Sitting Fee	1.00	2.13
Vishal Jain	Chief Financial Officer	Remuneration	35.62	34.36
Ankur Srivastava	Company Secretary	Remuneration	16.83	16.04

Disclosures related to Entity(s) which are controlled/significant influenced by Director(s)/KMP(s) of Reporting Enterprise:

(₹ in Lakhs)

Name	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
KPL Training And Skill Development Center	CSR Expenses	–	–
Kanplas Do Brasil LTDA	Sales	72.06	–
Valex Ventures Limited	Sales	332.28	427.03
KSM Exports Limited	Rent Paid	21.60	24.00
KSM Exports Limited	Rent Received	0.24	0.24
MSA Investment & Trading Company Pvt Ltd	Rent Paid	4.25	6
MSA Investment & Trading Company Pvt Ltd	Rent Received	0.24	0.24
MSA Investment & Trading Company Pvt Ltd	Land Purchased	43.36	–
KPL Packaging Pvt Ltd	Rent Paid	5.52	4.8
KPL Packaging Pvt Ltd	Rent Received	0.12	0.12

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 34 : RELATED PARTY DISCLOSURES (Contd..)

Disclosures of Subsidiary Companies

(₹ in Lakhs)

Name	Relationship	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Bright Choice Ventures Private Limited	– Wholly Owned Subsidiary	Convertible Preference Shares	10.0	240.00
Kanplas Earning Solutions Private Limited	– Wholly Owned Subsidiary	Equity Shares	50.00	25.00
Kanplas Do Brasil LTDA	– Wholly Owned Foriegn Subsidiary	Equity Shares	96.15	–
Kanplas Do Brasil LTDA		Refundable Share Application Money	5.48	–
Kanplas Do Brasil LTDA		Sales	72.1	–

Disclosures of Relatives of Directors

(₹ in Lakhs)

Name	Relationship	Nature of Transactions	Amount of Transactions (2022-23)	Amount of Transactions (2021-22)
Mahesh Swarup Agarwal	– Relative of Director	Others Services	18.00	15.00
Manjari Agarwal	– Relative of Director	Others Services	3.00	–

Details of Transactions Nature

(₹ in Lakhs)

Transactions	Key Managercial Personnel		Subsidiary Company / Associate Company / Entities Controlled By Director(S)		Relatives Of Directors	
	April - March 2023	April - March 2022	April - March 2023	April - March 2022	April - March 2023	April - March 2022
Remuneration/Others Services	263.10	467.83	–	–	21.00	15.00
Directors' Sitting Fees	5.28	12.88	–	–	–	–
Rent Paid	7.20	7.20	31.37	34.80	–	–
Rent Received	–	–	0.60	0.60	–	–
Sales Made By Company	–	–	404.33	427.03	–	–
Inter Company Deposit To Subsidiary	–	–	–	–	–	–
Share Capital Of Subsidary Company	–	–	156.15	265.00	–	–
Refundable Share Application Money From Subsidary Company	–	–	5.48	–	–	–
Land Purchased	–	–	43.36	–	–	–
Outstanding Balances	–	–		–	–	–
Kanplas Do Brasil (Trade Receivable)	–	–	72.06	–	–	–
Kanplas Do Brasil (Share Application Money Receivable)	–	–	5.48	–	–	–
Valex Ventures Limited (Trade Receivable)	–	–	75.71	–	–	–

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 35 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on providing medical facilities to the under-priviliged and also development and improvement of community areas designated by the Local authorities. The aim is to better the standards of living for the community as a whole.

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
Amount required to be spent by the company during the year (after set off previous year excess expenditure)	41.80	33.35
Amount of expenditure incurred on:		
- Construction / acquisition of any asset	–	–
- On purposes other than above	43.63	49.90
Shortfall at the end of the year	–1.83	–16.55
Total of previous years shortfall		
Reasons for shortfall	N.A	N.A
Nature of CSR activities:		
Development of community park, contribution towards medical facilities and infrastructure including COVID-19 relief, free check up camps, charity clinic etc.		

NOTE 36 EMPLOYEE BENEFITS- DEFINED BENEFIT PLANS

(a) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present value of defined benefit obligation at the beginning of the year	782.88	671.79
Obligation assumed on acquisition of business	-	-
Interest expense	57.23	46.42
Current Service Cost	100.08	81.55
Benefit paid	(69.19)	(67.62)
Remeasurement of (gain)/loss recognised in other comprehensive income	8.22	50.75
Acturial changes arising from changes in financial assumptions	-	-
Acturial changes arising from changes in experience adjustments	-	-
Defined Benefit Obligation at year end	**879.22**	**782.88**

(b) Net Defined Benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets	-	-
Present Value of Defined Benefit Obligation	879.21	782.88
Amount recognised in balance sheet - Asset/(liability)	**(879.21)**	**(782.88)**

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

(c) Net defined benefit expense (recognised in the Statement of Profit or loss for the year)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Service Cost	100.08	81.55
Net Interest Cost	57.23	46.42
Net defined benefit expense debited to statement of profit and loss for the year	**157.30**	**127.97**

(d) Remeasurement (gain)/loss recognised in other comprehensive income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Acturial changes arising from demographic assumptions	-	-
Acturial changes arising from financial assumptions	133.23	75.41
Acturial changes arising from changes in experience adjustments	(125.01)	(24.66)
Return on plan assets excluding interest income	-	-
Recognised in other comprehensive income - (Gain)/ Loss	**8.22**	**50.75**

NOTE 37 : DISCLOSURES UNDER IND-AS-23-BORROWING COSTS

The company has identified its CPP Project as a "Qualifying Asset" in terms of Ind-AS-23 for capitalisation of borrowing costs. The diclosures as required in terms of Ind-AS 23 are as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
The amount of borrowing costs capitalised during the year	144.35	–
The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation	7.88%	

NOTE 38 : GOVERNMENT GRANDS

The details of Government Grants recognised in these Financial Statements are as under:

The company received total subsidy of ₹677.32 Lakhs during the year, by way of reduction in the Term Loan of the company from HDFC Bank.

The Subsidy received is in respect of the investment made by the company in setting up of its factory unit at Gajner Road, Kanpur.

Treatment in Financials

Of the total amount of ₹677.32 lakhs received by the company, an amount of ₹120.79 Lakhs being on account of interest paid by the company, has been credited to P&L by way of a reduction in the finance costs for the year. The balance subsidy of ₹ 556.53 Lakhs being on account of the capital investment has been credited to capital subsidy deferred A/c which will be amortized on the basis of remaining useful life of the related Property, Plant and Equipment which is 254 Months.

Notes forming part of the Consolidated Financial Statements

as at 31st March, 2023

NOTE 39 : RATIO

(₹ in Lakhs)

Particulars	Formula	Current Period		Previous Period		Current Period	Previous Period	% Variance	Reason for variance
		Numerator	Denominator	Numerator	Denominator				
(a) Current ratio	"Current Assets / Current Liabilities"	14,980.28	12,332.50	18,950.63	14,645.71	1.21	1.29	–6%	–
(b) Debt-equity ratio	"Total Term Liabilities / Total Net Worth"	8,889.71	18,002.96	8,666.42	17,899.79	0.49	0.48	2%	–
(c) Debt service coverage ratio	"EBIDTA / Interest on Long Term Borrowing + Current Maturities of Long Term Borrowings"	1,661.33	1,913.06	5,453.60	2,507.69	0.87	2.17	–60%	Whereas the overall debt obligations of the company have reduced in comparison to the preceding year, the adverse variance in the ratio is owing to fall in the company's profit during the year for reasons stated against sl.no. (i) and (j) below.
(d) Return on equity ratio	"PAT *100 / Average Shareholder's Equity"	363.41	17,951.38	2,619.85	16,824.47	2.02	15.57	–87%	The adverse variation is owing to a fall in profitability of the company for reasons stated against sl.no. (i) and (j) below.
(e) Inventory turnover ratio	"Net Sales / Average Inventory"	47,659.11	10,021.87	62,507.34	10,990.38	4.76	5.69	–16%	–
(f) Trade receivables turnover ratio	"Net Sales / Average Debtors"	47,659.11	5,498.86	62,507.34	5,832.51	8.67	10.72	–19%	–
(g) Trade payables turnover ratio	"Net Purchases / Average Creditors"	26,640.47	1,472.96	41,190.24	1,597.19	18.09	25.79	–30%	There being an overall fall in the volume of activity of the company during the year, there has been a fall in purchases, resulting in fall in the ratio.
(h) Net capital turnover ratio	"Net Sales / Working Capital"	47,659.11	2,647.78	62,507.34	4,304.92	18.00	14.52	24%	
(i) Net profit ratio	"Net Profit *100 / Net Sales"	363.41	47,659.11	2,619.85	62,507.34	0.76	4.19	–82%	The fall in profitability is primarily on account of fall in turnover of the company owing to the following global factors; 1.Fall in demand in the EU region & South America. 2. Increase competition from within the country resulting in reduction of margins. 3. Foreign exchange loss on A/c of FCTL
(j) Return on capital employed	"EBIDTA *100 / Capital Employed"	1,661.33	27,038.93	5,453.60	26,689.27	6.14	20.43	–70%	
(k) Return on investment	"Return on Investment / Average Investment"	2.08	40.44	0.86	39.69	5.14	2.17	137%	There was FTMF redemption the value of which was nil and we booked a profit on this invetment which was recorded in profit on sale of investment

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

NOTE 39 : RATIO (Contd..)

Notes:

(₹ in Lakhs)

Particulars	Particulars	Current Year	Previous Year
i) Total Term Liabilities :	Long Term Borrowings	7,295.66	6,845.02
	Current Maturities of Long Term Borrowings	1,594.05	1,821.40
		8,889.71	**8,666.42**
ii) EBITDA :	Profit/(Loss) before Tax	214.78	3,706.71
	Depreciation, Amortisation and Impairment expense	1,127.54	1,060.60
	Interest on Long Term Borrowing	319.01	686.29
		1,661.33	**5,453.60**
iii) Average Shareholder's Equity :	Opening Shareholder's Equity	17,899.79	15,749.15
	Closing Shareholder's Equity	18,002.96	17,899.79
		17,951.38	**16,824.47**
iv) Average Inventory :	Opening Inventory	11,718.90	10,261.86
	Closing Inventory	8,324.84	11,718.90
		10,021.87	**10,990.38**
v) Average Debtors :	Opening Debtors	6,112.36	5,552.65
	Closing Debtors	4,885.36	6,112.36
		5,498.86	**5,832.51**
vi) Net Purchases :	Purchases of RM	25,122.94	37,429.30
	Purchase Of Stock In Trade	1,517.53	3,760.94
		26,640.47	**41,190.24**
vii) Average Creditors :	Opening Creditors	1,511.60	1,682.78
	Closing Creditors	1,434.32	1,511.60
		1,472.96	**1,597.19**
viii) Working Capital :	Current Assets	14,980.28	18,950.63
	Current Liabilities	12,332.50	14,645.71
		2,647.78	**4,304.92**
ix) Capital Employed :	Net Worth	18,002.96	17,899.79
	Long Term Borrowing	7,295.66	6,845.02
	Deferred Tax Liability	1,740.31	1,944.46
		27,038.93	**26,689.27**
x) Average Investment :	Opening Investment	41.36	38.01
	Closing Investment	39.51	41.36
		40.44	**39.69**

NOTE 40 : QUANTITATIVE DISCLOSURES OF FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS AS AT MARCH, 31, 2023

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2022	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets Measured At Fair Value				
Investments Measured At				
(I) Fair Value Through Other Comprehensive Income	–	–	–	–
(Ii) Fair Value Through Profit & Loss	–	–	–	–
Investment Property	–	–	–	–
Non Current Financial Investment	299.98	–	–	299.98
Current Financial Investment	39.51	39.51	–	–
Financial Assets Measured At Amortised Cost				
Other Non Current Assets	634.29	–	–	634.29
Other Non Current Financial Assets	299.67	–	–	299.67
Trade Receivables	4,885.36	–	–	4,885.36
Cash & Cash Equivalents	147.38	–	–	147.38
Other Bank Balances	219.78	–	–	219.78
Other Current Financial Assets	1,234.21	–	–	1,234.21

Notes forming part of the Consolidated Financial Statements

as at March 31, 2023

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2022	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilties Measured At Amortised Cost				
Non Current Financial Liabilties				
Borrowings	7,295.66	–	–	7,295.66
Other Financial Liabilities	–	–	–	–
Current Financial Liabilties	–	–	–	–
Borrowings	9,267.66	–	–	9,267.66
Trade Payables	1,434.32	–	–	1,434.32
Other Financial Liabilities	–	–	–	–
Other Current Liabilities	1,058.88	–	–	1,058.88

(₹ in Lakhs)

PARTICULARS	Carrying Value 31st March, 2021	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets Measured At Fair Value				
Investments Measured At				
(I) Fair Value Through Other Comprehensive Income	–	–	–	–
(Ii) Fair Value Through Profit & Loss	–	–	–	–
Investment Property	–	–	–	–
Non Current Financial Investment	299.98	–	–	299.98
Current Financial Investment	41.36	41.36	–	–
Financial Assets Measured At Amortised Cost				
Other Non Current Assets	887.21	–	–	887.21
Other Non Current Financial Assets	303.96	–	–	303.96
Trade Receivables	6,112.36	–	–	6,112.36
Cash & Cash Equivalents	26.47	–	–	26.47
Other Bank Balances	252.25	–	–	252.25
Other Current Financial Assets	755.68	–	–	755.68
Financial Liabilties Measured At Amortised Cost				
Non Current Financial Liabilties	–	–	–	–
Borrowings	6,845.02	–	–	6,845.02
Other Financial Liabilities	–	–	–	–
Current Financial Liabilties	–	–	–	–
Borrowings	11,424.76	–	–	11,424.76
Trade Payables	1,511.60	–	–	1,511.60
Other Financial Liabilities	–	–	–	–
Other Current Liabilities	1,130.21	–	–	1,130.21

Note: the company has disclosed financial instruments such as cash & cash equivalents, other bank balances, trade receivables, trade payables, bank overdrafts and other current liabilties at carrying amount value because their carrying amounts are a reasonable approximation of the fair values due to the short term maturities of these instruments.

The accompanying schedules form an integral part of the accounts

As per our Report of even date attached

For **Rajiv Mehrotra & Associates**
Chartered Accountants
Firm Regd. No.: 002253C

Anjani Kheterpal
Partner
Membership No.: 401701

Place: Kanpur
Date: 26th May, 2023

For and on behalf of the Board of Directors

Vishal Jain
Chief Financial Officer

Ankur Srivastava
Company Secretary

Manoj Agarwal
Chairman cum Managing Director
(DIN : 00474146)

Shashank Agarwal
Deputy Managing Director
(DIN : 02790029)

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Annexure-1 to the Consolidated Financial Statement for the year ended 31st March, 2023
Statement containing salient features of the financial statements of subsidiaries / Joint Ventures / associates:

Part A: Subsidiaries

S.No.	Particulars	Details		
1.	Name of the Subsidiary Company	Bright Choice Ventures Private Limited	Kanplas Earning Solutions Private Limited	Kanplas Do Brasil Ltda
2.	The date since when subsidiary was acquired	02nd January, 2021	21st May, 2021	26th April, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable	Brazilian Real (BRL) 1BRL = 16.23 INR
5.	Share capital	₹ 450 Lacs	₹ 75 Lacs	640.680
6.	Reserves & surplus	₹ (6.05) Lacs	₹ (0.55) Lacs	(306.771)
7.	Total Assets	₹ 444.13 Lacs	₹ 74.63 Lacs	843.533
8.	Total Liabilities	₹ 0.18 Lacs	₹ 0.18 Lacs	509.624
9.	Investments	-	₹ 23.66 Lacs	-
10.	Turnover	-	-	250.887
11.	Profit/(loss) before Taxation	₹(2.67) Lacs	₹0.40 Lacs	(306.771)
12.	Provision for Taxation	-	-	-
13.	Profit/(loss) after Taxation	₹ (2.67) Lacs	₹0.40 Lacs	(306.771)
14.	Proposed Dividend	-	-	-
15.	Extent of shareholding (in percentage)	100%	100%	100%

Note:

1. No subsidiaries have been liquidated or sold during the year.

Part B: Associate Company and Joint Venture – Nil

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