Manjushree 2.0

FY 2019 - 2020

ANNUAL REPORT

MANJUSHREE TECHNOPACK LIMITED

BOARD OF DIRECTORS

Vimal Kedia	Managing Director
Surendra Kedia	Whole Time Director
Shweta Jalan	Director
Pankaj Patwari	Director
Vinod Padikkal	Director
Manu Anand	Director
Jayesh Merchant	Director Independent
Ashok Sudan	Director Independent
Sanjay Kapote	Executive Director and CEO
Basant Kumar Mohata	CFO
Rasmi Ranjan Naik	Company Secretary

AUDITORS
Messrs Singhvi Dev & Unni
6th Floor, trade Centre,
#29/4, Race Course Road, Bangalore – 560 001

SECRETARIAL AUDITOR
Mr. Vijayakrishna K T
496/4,2nd Floor, 10th Cross Sadashivanagar, Bangalore-560080

Cost Auditor
G S & Associates,Cost Accountants, # 207, Bindu Galaxy, No. 2 1st Main, Chord Road, Industrial Town, Rajajinagar, Bengalruru-560 044

PRINCIPAL BANKERS
State Bank of India Industrial Finance Branch,
61, Residency Plaza, Residency Road, Bangalore-560 025

REGISTRAR & SHARE TRANSFER AGENTS
Integrated Registry Management Services Private Limited
#30, Ramana Residency, 4th Cross Sampige Road,
Malleswaram, Bangalore-560 003
Tel: (080) 2346 0815/818 fax: (080) 2346 0819
Email: irg@integratedindia.in

REGISTERED OFFICE
"MBH Tech Park", 2nd Floor, Survey No. 46(P) and 47(P),
Begur Hobli, Electronic City Phase-II, Bangalore 560100, Karnataka

CONTENTS

WORKS AT
Plants of Manjushree Technopack Limited

60 E&F, Bommasandra Ind. Area,
Hosur Road, Bangalore - 560 099.

71-72, Bidadi Ind. Area, Phase 2,
Sector 2, Bidadi, Bangalore - 562109.

Vill- Nizsindurighopa, Chowkigate, Changsari,
Pin-781101, Kamrup (Rural) Assam

Plot No. 70 & 71B, 71A & 76, EPIP Phase-I, Jharmajri,
Dist. Solan, Himachal Pradesh-174 103

Plot No.23, 23A & 22B, Sector-2, Integrated Industrial Area,
Pant Nagar, Distt U.S.Nagar, Uttarakhand -263 153

Plot No. 486, Sector-8, IMT Manesar, Haryana – 122 050

Qilla Khasra No.138/3/4, Balkalan, Amritsar

Plants of MTL New Initiatives Private Limited

Silvassa:Haveli Estate, Building – A & B, Survey No. 121/26, Village Amli of U.T. of Dadra & Nagar Haveli - 396230

Bidadi Recycling Plant : Plot No. 74-B & 74-C (P), Bidadi Industrial Area, 2nd Phase, Sector-2,
Ramanagar District-560 109, Karnataka

Email: info@manjushreeindia.com | **Website:**www.manjushreeindia.com

Dear Shareholders,

I am delighted to present the achievements of Manjushree team in fiscal 2019-20. The year was challenging with economic slowdown observed in the 2nd half of the year, accentuated by a nationwide lockdown, owing to Covid-19 in the last 20-25 days of the fiscal 2019-20. This economic downturn has also impacted your Company, however the team showcased exemplary perseverance to push all boundaries andmaintain the business momentum.

We started the year on a strong note, on back of a strong preform season, due to extended summer and multiple events like IPL, general elections etc. increasing demand of preforms. However, despite continuously falling resin prices and economic slowdown accentuating in the 2nd half,your Companyclosed the year with revenues of INR 1080 crs, marginally lower than the previous financial year. During the course of the year, your Company's CEO , Mr. Sanjay Kapoteled the management team in defining Company's strategy in the changing operating environment, considering the dynamics of global packaging industry. This reinforced our mission to grow your Company 3X by 2023-24. The team has laid out long-term priorities with an actionable plan on organic and inorganic growth to achieve this target, driven by Innovation, Performance and Sustainability.

Our topmost priority continues tobe consistently improvingthe performance across business verticals and to seek more growth in our product line and market coverage. The Board believes the renewed focus on innovation will enable us to capitalise on the opportunities in our industry to drive long-term value for investors. I also take great pride in informing you that your Company was ranked 71 in India's Growth Champions 2020 list released by Economic Times this year.

Executive Team

Mr. Sanjay after joining as Executive Director and CEO, the other top Executives assist him as Mr. Basant Kumar Mohata, Chief Financial Officer, Mr. S Satish, Chief Sales and Marketing Officer, Mr. Anil Tomar, Chief Operating Office, Mr. Ismail Jara, Chief Human Resource Officer, Mr. Thiagarajan N, Chief Information Officer, Mr. Gaurav Lunia, Chief Transformation Officer, and each Manufacturing Unit have dynamic and energetic Strategic Business Unit Head. The Board has taken a keen interest to balance fresh thinking from external recruits while maintaining the core, by developing internal successors.

Expansion & Growth

Your Company acquired National Plastics in November 2019 offering a foray in segments like triggers and spray pumps. The facility at Amritsaris India's leading manufacturer of dispensers, cream pumps and is the only manufacturing plant in India, engaged in making of trigger sprays. In this fiscal, we successfully integrated National Plastic's operations with Manjushree.

Incorporation of wholly owned subsidiary

It is my pleasure to intimate you that your Company has incorporated a wholly owned subsidiary named MTL New Initiatives Private Limited in January 2020. Your subsidiary company has set-off two new plants one in Silvassa and another in Bidadi, Karnataka.

Another milestone in this financial year, was the successful commissioning of our greenfield plant at Silvassa, creating our footprint in west India. This new plant is designed to have a capacity of 7,500 MTPA. The plant will cater to diverse sectors of clients including FMCG, lubricants, agrochemicals, and paints. Silvassa, has a strong presence of plastics, textiles, FMCG, chemicals and other industries. Dadra and Nagar Haveli district contribute to 28% share of India's plastic production and is the epicenter of filling units of brands that extensively use rigid plastic packaging.

Sustainability has been at the heart of your Company's operations. For the past 33 years,several FMCG and nonFMCG brands have relied on us to develop sustainable packaging solutions for them. Our packaging design team has unique strength in visualizing and redesigning packaging to give it a sustainability edge. In thefiscal year 2019-20, we took a historical step towards firming and advancing our green efforts. We proudly launched our recycling business under the brand name – 'Born Again'. 'Born Again' is vertically integrated with the plastic waste collection ecosystem, with an objective to reduce the amount of plastic waste going to landfills and to deliver virgin-like quality Post-Consumer Recycled (PCR) PP and HDPE resin to FMCG customers. 'Born Again' is a testimony of our commitment to support our customers in their journey of creating a greener world. Our first plant in Bidadi, Bangalorewas inaugurated on 15th June 2020 and has acapacity to process more than 6,000 MTPA of plastic waste to convert it into a virgin-like quality PCR resin. As more and more brandspledge towards reduction of plastic waste and move towards 100% recyclable packaging, it is an opportune time for us to enable packaging solutions made from recycled plastics. In the initial phase, weplan toproduce PCR resins with applications is non-food packaging segments like personal care, home care, lubricants, paints as well as secondary packaging for food products. We have in-principle arrangement to with several Indian and Global brands to supply them PCRresin for such applications.

Culture

Central to ensuring long-term delivery against the strategy is developing a culture which rewards high performance but also seeks to build on the values of the Company. The Board was pleased to see employees support this, with a marked increase in employee engagement. We have further initiated multiple internal training and development projects focussed on sales and operational excellence. We intend to keep pace with the transforming sales ecosystem byadopting the best in sales practices to MTL, and completely digitise our commercial processes. Likewise, we aspire to have world-class operational practices to optimize our production costs and gain a competitive edge in the rigid plastic packaging space. We aim together to build an all-inclusive growth-oriented Company with superior efficiency, optimisedinventory and a sharp focus on cost management.

The New Normal

Ever since the last quarter of financial year 2019-2020, our country and the global business environment has been obscured by one of the worst Pandemics our generation has seen. In fact, according to Moody's, a credit rating, research and analysis firm based out of USA, social distancing measures implemented globally have meant that some products, such as in the cosmetics and beauty industry, have been low in demand. The global recession forecasted for 2020 will also likely have a negative impact on consumer spending.

For us, like many other businesses around the country, working during the time of Covid-19 has been challenging. The nation-wide lockdown and restrictions on cargo movement impacted our bottom lines, but I would like to assure you that the team in yourCompany has worked relentlessly to mitigate the COVID impact, not just in the business paradigm but for the society as well. We have taken several initiatives and partnered with government bodies to contribute safety kits to the aid workers and donated food packages to the migrant laborers.In our factories, working in the new normal has brought some significant changes with respect to ensuring hygiene and contamination free work environment.

In conclusion I remain extremely grateful to our team, showing great diligence in the face of this global calamity. I pray for the health and safety of every member related to Manjushree and their extended family.

Warm Regards

Vimal Kedia
Managing Director

BOARD'S REPORT

TO THE MEMBERS - MANJUSHREE TECHNOPACK LIMITED

The Board of Directors has pleasure of presenting the Thirty-Third Annual Report of the Company and Audited Financial Statements for the year ended 31st March, 2020, together with the Independent Auditor's Report.

RESULTS OF OUR OPERATIONS (In accordance with IND AS)

(Rupees in Lakhs except stated otherwise)

Particulars	Consolidated Amount As on 31st March 2020	Standalone As on 31st March 2020	Standalone As on 31st March 2019
Turnover - Domestic	1,03,455.46	1,03,455.41	1,10,139.02
- Exports	4,594.83	4,594.83	4,751.20
Total Turnover	**1,08,050.29**	**1,08,050.24**	**1,14,890.22**
Less - Cost of Sales			
Excise Duty			
(Increase) / Decrease in Stocks	(2,966.99)	(2,959.36)	1,110.78
Materials Consumed	63,910.38	63,923.57	66,977.39
Other Expenditure	20,912.94	20,827.01	18,913.25
Sub Total	**81,856.33**	**81,791.22**	**87,001.42**
Gross Profit	**26,193.96**	**26,259.02**	**27,888.80**
Administrative and Selling Expenses	7,550.47	7,478.08	6,912.69
Operating Profit	**18,643.49**	**18,780.94**	**20,976.11**
Interest and Financial Charges	4,285.65	4242.80	4,124.59
Depreciation / Write Offs	6,555.44	6463.61	9,794.59
Profit after Interest and Depreciation	**7,802.40**	**8074.53**	**7,056.93**
Other income	1,682.32	1686.91	548.65
Profit before tax (Including OCI)	**9,484.72**	**9,761.44**	**7,605.58**
Provision for Taxation	1,940.00	1,940.00	2,872.07
Deferred Tax (Provision)/Write Back	895.13	885.93	(200.20)
Net Profit after Tax	**6649.59**	**6,935.51**	**4,933.71**
Proposed Dividend for the year (including taxes)	-	-	-
Retained Surplus	**6649.59**	**6,935.51**	**4,933.71**
Add: Surplus brought forward from previous year	31,311.90	31,311.90	27,713.91
Less: Interim Dividend and tax thereon	-	-	1,175.94
Transitional adjustment for Ind As 115			
Adjustment due to restatement in PPE			(159.78)
Net Surplus carried to Balance Sheet	**37,961.49**	**38,247.41**	**31,311.90**
Paid-up Equity Share capital (FV Rs.10 per Equity Share)	1,354.77	1,354.77	1,354.77
Reserves and Surplus (excluding revaluation reserves)	44,224.69	44,510.58	35,347.23
Weighted Average Basic EPS(Rs.)	**49.08**	**51.19**	**36.42**

Your Company had one more year of tough fighting performance and had try to maintain its performance compared to last year although faced lot challenges including CODIV-19. The gross turnover for FY 2020 was at Rs. **1,08,050.24** Lakhs (2019 – Rs. 1,14,890.22 Lakhs). The Gross Profit during FY 2020 was Rs. **26,259.02** Lakhs (2019 – Rs. 27,888.80 Lakhs), while the Operating Profit stood at Rs. **18,780.94** Lakhs (2019 – Rs. 20,976.11 Lakhs). The Profit Before Tax (including OCI) during FY 2020 was at Rs. **9,761.44** Lakhs (2019–Rs. 7,605.58 Lakhs). After Provision for Taxation, the Net Surplus amounted to Rs. **6,935.51** Lakhs (2019–Rs. 4,933.71 Lakhs) resulting in a basic EPS of Rs. 51.19 (2019 – Rs. 36.42).

The notes on accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 and Ind AS 110 issued by Institute of Chartered Accountants of India, the Consolidated Financial Statements presented by the Company include the audited financial statements received from Subsidiary Company, as approved by its Boards.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES:

MTL New Initiatives Private Limited was formed on 1st January, 2020 as Wholly Owned Subsidiary of Manjushree Technopack Limited.

AI Lenarco Midco Limited, Cyprus based Company holds 77.24% Share Capital of Manjushree Technopack Limited; hence, Manjushree Technopack Limited is the Subsidiary of AI Lenarco Midco Limited.

RESULTS OF OPERATIONS OF MTL NEW INITIATIVES PRIVATE LIMITED (In accordance with IND AS)

(Rupees in Lakhs except stated otherwise)

Particulars	As on 31st March, 2020
Turnover - Domestic	75.07
- Exports	-
Total Turnover	**75.07**
Less - Cost of Sales	
Excise Duty	
(Increase) / Decrease in Stocks	(7.64)
Materials Consumed	54.70
Other Expenditure	93.06
Sub Total	**140.11**
Gross Loss	**(65.05)**
Administrative and Selling Expenses	72.37
Operating Loss	**(137.42)**
Interest and Financial Charges	52.34
Depreciation / Write Offs	91.86
Loss after Interest and Depreciation	**(281.61)**
Other income	4.91
Loss before tax	**(276.70)**
Provision for Taxation	-
Deferred Tax (Provision)/Write Back	9.19
Net Loss after Tax	**(285.89)**

CHANGE IN THE NATURE OF BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

LOCKDOWN-COVID 19 AND ITS IMPACT ON THE BUSINESS:

It is quite unfortunate and said that Corona Virus has caused significant health concerns across the Globe and resulted in multiple deaths. Social distancing being the only and the first compulsory remedy, entire World was forced to observe Lockdown. Thanks to early initiatives taken, India declared Lockdown from 24th March 2020 and is on. Your Company complied with the directions of the Government of India, the Government of Karnataka and the relevant authorities and strictly adhered to the Lockdown in its facilities and at all Offices. The employees, vendors, customers, outsourcing agencies, Consultants and other acquaintances had to suspend their operations almost fully. Considering the reduced volume business, Work from Home concept was adopted during the Lockdown as per the Guidance of the Governments.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the section 149,152 and other applicable provisions of the Companies Act, 2013. Mrs. Shweta Jalan (DIN: 00291675) director of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her appointment for the consideration of Members of the Company in the ensuing Annual General Meeting.

In accordance with the provisions of the section 149, 152 and other applicable provisions of the Companies Act, 2013. Mr. Vinod Padikkal (DIN: 07765484) Director of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his appointment for the consideration of Members of the Company in the ensuing Annual General Meeting.

During the year under review the status of Mr. Manu Anand (DIN : 00396716) changed from Independent Director to regular Director.

The Code of Conduct for Directors and to all present senior executives forming a part of the top level Management is available at http://manjushreeindia.com/investor-relations/code-of-conduct/.

BOARD MEETINGS:

The Meetings of the Board were held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held when necessary. During the year under review Thirteen (13) Meetings were held on 08/04/2019, 22/04/2019, 31/05/2019, 26/06/2019, 05/08/2019, 21/08/2019, 18/09/2019, 21/10/2019, 15/11/2019, 26/11/2019, 18/12/2019, 06/02/2020 and 19/02/2020.

AUDIT COMMITTEE MEETINGS:

During the year under review (6) Meetings were held on 22-04-2019, 31-05-2019, 21-08-2019, 15-11,2019, 26-11-2019 and 18-02-2020.

NOMINATION AND REMUNERATION COMMITTEE MEETING:

During the year under review (5) Meetings were held on 08-04-2019, 31-05-2019, 26-06-2019, 06-02-202 and 18-02-2020.

STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING:

During the year under review (1) Meetings was held on 15,11,2019

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS

During the year under review (2) Meetings were held on 15-11-2019 and 18-02-2020

The Agenda of the Meetings were circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors and committees were circulated amongst the Members of the Board for their perusal.

DECLARATIONS FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declarations from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 stating that they meet with the criteria of their Independence laid down in Section 149(6). The same is enclosed to this Report as **Annexure I**.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

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

(b) 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 and loss of the Company for that period;

(c) 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;

(d) the Directors had prepared the Annual Accounts on a going concern basis; and

(e) 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.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments which occurred, affecting the financial position of the Company during the financial year ened on 31st March, 2020.

CHANGE IN THE NATURE OF BUSINESS:

There were no changes in the nature of business of the Company during the financial year ended on 31st March, 2020.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes after 31st March, 2020 till the signing of this Report.

INFORMATION ON THE FINANCIAL POSITION/ FINANCIAL PERFORMANCE OF THE SUBSIDIARIES / ASSOCIATES/ JVS:

The Company has a subsidiary MTL New Initiatives Private Limited incorporated on 1st January, 2020.

The Company does not have any associates/ JVS.

In accordance with Section 129 (3) of the Companies Act, 2013, a separate statement containing salient features of the financial statement of the Subsidiay of the Company in Form AOC-1 is given in **Annexure VII.**

DIVIDEND:

Your Company is in process of expanding its business in organic and inorganic way. To facilitate this expansion of business your company requires more funds. Therefore, considering the business expansion projects dividend was not declared.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

There are no Directors/Employees who were in receipt of the remuneration other than as prescribed under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014 during the year under review and hence annexure required under the said Section is not attached.

REMUNERATION POLICY

The Company policy relating to appointment of directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is as decided by Nomination and Remuneration Committee of the Company.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company had met on 18th February, 2020 during the year to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairman of the Company and Non-Executive Directors and other items as stipulated under of The Companies (Appointment and Qualification of Directors) Rules, 2014. The Independent Directors have also declared their independence.

ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors, pursuant to the provisions of the Companies Act, 2013.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as Board structure and composition, formation and delegation of responsibilities to Committees, Board processes and their effectiveness, degree of effective communication with the stakeholders.

The performance of the Board Committees were evaluated by the Board after seeking inputs from the Committee Members based on criteria such as Committee composition, structure, effectiveness of Committee Meetings.

Independent Directors of the Company provided their views on performance of Non-Independent Directors, and the Board as a whole, considering the views of Executive Directors and Non-Executive Directors.

Your Board has evaluated the Independent Directors and confirms that all Independent Directors fulfilled the independence criteria as specified in the Companies Act, 2013 and their independence from the management

AMOUNTS TRANSFERRED TO RESERVES:

Being a profit, during the year, the Company has transferred the surplus amount to Reserve & Surplus Account.

CHANGES IN SHARE CAPITAL:

There is no increase or decrease in the Authorized, Issued and Paid-up Capital of your Company.

The Authorized Share Capital of the Company is Rs. 15,00,00,000 divided into 1,50,00,000 Equity Shares of Rs. 10/- each.

During the year under review, the Company has not issued any shares with differential voting right not granted stock options or Sweat Equity shares. Further, no shares were bought back during the year under review.

ISSUE OF COMPULSORILY CONVERTIBLE DEBENTURES:

Your Company has issued 35,21,614 compulsorily convertible debentures ("CCDs"), at par, with face value of Rs. 100 (Rupees Hundred Only) each CCD, to **AI Lenarco Midco Limited** (Investor), for an aggregate amount of Rs. 35,21,61,400 (Rupees Thirty Five Crores Twenty One Lakhs Sixty One Thousand and Four Hundred only)

EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT- 9 is annexed to this report as **Annexure-II.**

COMPOSITION OF THE COMMITTEES:

Following are the composition of various Committees:

i) Composition of Audit Committee:

(a) Mr. Jayesh Merchant – Chairman

(b) Mr. Ashok Sudan – Member

(c) Mr. Vimal Kedia – Member

The Company's Whistle Blower Policy is available at http://manjushreeindia.com/investor-relations/whistle-blower-policy/

ii) Composition of Nomination and Remuneration Committee:

(a) Mr. Ashok Sudan – Chairman

(b) Mr. Jayesh Merchant – Member

(c) Mr. Manu Anand – Member

The Company's Nomination and remuneration Policy is available at http://manjushreeindia.com/investor-relations/nomination-and-remuneration-policy/.

iii) Composition of Stakeholders' Relationship Committee:

(a) Mr. Jayesh Merchant – Chairman

(b) Mr. Vimal Kedia – Member

(c) Mr. Vinod Padikkal – Member

iv) Composition of Corporate Social Responsibility Committee:

(a) Mr. Ashok Sudan – Chairman

(b) Mr. Surendra Kedia – Member

(c) Mr. Vinod Padikkal – Member

AUDITORS:

Statutory Auditors:

The Auditors Messrs Singhvi, Dev & Unni, Chartered Accountants (registered with ICAI (Firm Registration No.003867S), have been appointed in the Annual General Meeting held on 16.09.2015 for a period of five years i.e up to FY 2019-20. They are the retiring Statutory Auditors in the ensuing Annual General Meeting.

The new Auditor Messrs Deloitte Haskins & Sells , Chartered Accountants, 19th Floor, 46, Prestige Trade Towers, Palace Road, High Grounds, Bengaluru-560001 registered with ICAI (Firm Registration No. 008072S) are proposed to be appointed for the 5 (five) years for the financial year 2021-2025 which has been included in the Notice of the AGM for approval of the Shareholders.

Cost Auditor:

Messrs G S & Associates, Cost Accountants, # 207, Bindu Galaxy, No. 2, 1st Main, Chord Road, Industrial Town, Rajajinagar, Bengalruru-560044 were appointed as Cost Auditors for the Financial Year 2019-20 for the product shrink film.

Secretarial Auditor:

Mr. Vijayakrishna K T, FCS, Practising Company Secretary, was appointed as Secretarial Auditor of the Company for the financial year 2019-20.

SECRETARIAL AUDIT REPORT:

Secretarial Audit Report as provided by Mr. Vijayakrishna K. T, Practising Company Secretary in form of MR-3 is annexed to this Report as **Annexure III.**

QUALIFICATIONS IN THE AUDIT REPORTS:

There were no qualifications or observations by the Auditors in their audit reports.

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

A. Statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo is as follows:

Form for disclosure of particulars with respect to conservation of energy

I. **POWER AND FUEL CONSUMPTION:**

1.	Electricity	**31.03.2020**	**31.03.2019**
	(a) Purchased		
	No. of Units in Lakhs (KWH)*	1088.96	999.95
	Total Amount Rs. in Lakhs	7421.48	6,507.21
	Rate / Unit (KWH) (Rs.)	6.82	6.51
	(b) Own Generation through Diesel Generator		
	No. of Units (KWH) Generated in Lakhs	12.12	12.69
	Total Amount Rs. In Lakhs	246.89	250.61
	Units Per Liter of diesel oil	3.11	3.32
	Cost / Unit in Rs.	20.37	19.75
	*excluding generation from wind mill of 47.70Lac units		
2.	Coal	–	–
3.	Furnace Oil	–	–
4.	Others	–	–

II. **CONSUMPTION PER UNIT OF PRODUCTION (to the extent applicable):**

Particulars	Standard	Unit	31.03.2020	31.03.2019
Production (Containers & Performs)	N.A.	MT	71,813	64,198
Production (Conversion)	N.A.	MT	34,602	31,348
Consumption of Electricity per ton (incl. own generation)	None	KWH	1,034.70	1,059.84
Consumption of Diesel Oil per ton	None	Kilo Litres	3.66	3.99

B. TECHNOLOGY ABSORPTION:

(a) Efforts made in technology absorption as per detailed hereunder:

I. RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company. **:** The Company is making in-house R & D efforts for introduction / development of value added products.
2. Benefits derived as a result of the above R & D **:** New products have been introduced giving an edge to the Company in present day competitive market.
3. Further Plan of action **:** The Company intends to continue its R & D efforts.

EXPENDITURE ON R& D:

The expenditure incurred on Research and Development: BIDADI UNIT

(Rs. in Lakhs)

Nature of Expenditure	2019-20	2018-19
Capital Expenditure	2.18	17.34
Revenue Expenditure	290.19	635.11
TOTAL	**292.37**	**652.45**
Total R&D expenditure as a percentage of total turnover	0.67%	1.34%

Expenditure incurred on Research and Development: BOMMASANDRA UNIT (Rs. in Lakhs)

Nature of Expenditure	2019-20	2018-19
Capital Expenditure	10.92	102.63
Revenue Expenditure	417.06	669.27
Total	**427.99**	**771.90**
Total R&D expenditure as a percentage of total turnover	1.56%	2.49%

Total Expenditure of both Units for financial year 2019-20: Rs.720.36 Lakhs (Previous year: Rs. 1,424.35 Lakhs)
Total R&D expenditure as a percentage of total turnover for financial year is 1.01% (FY 19: 1.78 %)

RESEARCH AND DEVELOPMENT(R&D)

The Company has been continuously putting efforts to develop new products with different challenges. The Company is doing many research activities in the areas of material weight reduction, alternate material, process design, process improvement etc.,

Benefits derived as a result of R & D:

(a) Market expansion and improved competitive position through significantly improved products for new markets.

(b) Improved competency for designing process & products for customers.

(c) Up gradation of technical skill of employees for higher productivity & more consistent quality.

Future Plan of Action:

Your Company is looking to adapt new and upgraded technologies in order to stay ahead of its competitors. Future R&D efforts will continue along similar lines, as at present, but with more focus, thrust and endeavors.

Form for disclosure of particulars with respect to absorption

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief made towards technology absorption, adaptation and innovation. : Does not arise.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc. : Does not arise.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished :
   (a) Technology imported : None
   (b) Year of Import : N.A.
   (c) Has technology been fully absorbed? : N.A.
   (d) If not fully absorbed, area where this has not taken place reason thereof and future plan of action. : N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services export plans. : The Company does exports and is continuing to make efforts on an ongoing basis to explore suitable export opportunities, as and when it arises for any particular application

(Rupees in Lakhs except stated otherwise)

(b)	Total foreign exchange used and earned:	31.03.2020	31.03.2019
A.	**FOREIGN EXCHANGE EARNINGS:**		
	Export Sales (including exchange difference & excluding Rupee exports)	3,513.25	4,615.34
B.	**FOREIGN EXCHANGE OUTGO:**		
	Capital Equipment	3,340.89	1,904.70
	Raw Materials	4,146.38	5,970.95
	Spares & Consumables	-	-
	Travelling Expenses	16.85	26.73
	Bank Charges (Import and FBC)	7.04	6.07
	Interest on Loans	76.60	393.94
	Membership and Subscription	13.40	1.87
	Professional Fees	24.59	-
	Exhibition	15.89	-
	Advertisements		5.01
	Others	26.37	
	TOTAL (B)	**7,668.01**	**8,309.27**

RECEIPT OF ANY COMMISSION BY MD / WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM ITS SUBSIDIARY:

No Director has received any commission from your Company or from Subsidiary Company.

DISCLOSURE RELATING TO REMUNERATION OF EMPLOYEES:

Statement pursuant to sub Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure IV.**

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company is following adequate Internal Financial Controls with reference to the Financial Statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has given Loan to MTL New Initiatives Private Limited, Wholly Owned Subsidiary amounting to Rs. 23,29,93,170/-. The Company also subscribed total Equity Shares of MTL New Initiatives Private Limited i.e. 10,000 Equity Shares @ Rs.10/- each for its incorporation during the period under review. Your Company has not given Guarantees. Your Company has complied the provisions of Section 186 of the Companies Act, 2013 to the extent applicable.

CORPORATE SOCIAL RESPONSIBILTY POLICY:

The Current CSR Committee comprising Mr. Ashok Sudan (Independent Director) as Chairman and Mr. Surendra Kedia, Whole Time Director and Mr. Vinod Padikkal, Director as other Members. The CSR Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The CSR Committee has recommended the Board to initiate the action for spending on the CSR activities to comply with the provisions of the Companies Act, 2013. The details of the spending on CSR activities are attached as **Annexure-V** to this Report.

Company's CSR Policy is available at http://manjushreeindia.com/corporate-social-responsibility-policy/.

RELATED PARTY TRANSACTIONS:

Particulars of contracts or arrangements with related parties referred to in Section 188(1) are enclosed in the prescribed format, Form AOC-2, as Annexure-VI. The Transactions are in the ordinary course of business and at arm's length terms.

The Company's Policy on Related Party Transactions is available at http://manjushreeindia.com/investor-relations/related-party-transaction-policy/.

TRANSFER TO IEPF:

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), the Company had sent individual notices and also advertised in the newspapers seeking action from the Shareholders who have not claimed their Dividends for past seven consecutive years i.e. for final Dividend of the financial year ended 2011-2012, and thereafter, had transferred such unpaid or unclaimed Dividends and corresponding 5,235 Equity Shares held by 16 Shareholders to the IEPF Authority on January 13, 2020. Shareholders /claimants whose Shares, unclaimed Dividend, have been transferred to the aforestated IEPF Suspense Account or the Fund, as the case may be, may claim the Shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. Further, the Company shall be transferring the unclaimed Dividend for the financial year 2012-2013 to the IEPF Account on or before August 31, 2020.

DETAILS RELATING TO DEPOSITS:

Your Company has not invited/accepted/renewed any Deposits from the public as defined under the provisions of the Companies Act, 2013 and accordingly, there were no Deposits which were due for repayment on or before 31st March, 2020.

RISK MANAGEMENT:

Your Company has formed Risk Management Committee consisting as following:

(a) Mr. Ashok Sudan, Independent Director as Chairman

(b) Mr. Vinod Padikkal, Director as Member

(c) Mr. Sanjay Kapote, Executive Director and CEO as Member

An efficient Management team identifies various risks and takes necessary mitigating actions against the same.

INDUSTRIAL RELATIONS:

Industrial relations have been cordial and constructive, which has helped your Company to achieve production targets.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. Three member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

No complaints pertaining to sexual harassment was reported during the year.

MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBNUALS IMPACTING GOING CONCERN STATUS OF COMPANY:

No order was passed by any court or regulator or tribunal during the period under review which impacts going concern status of the Company.

FRAUD REPORTING (REQUIRED BY COMPANIES AMENDMENT BILL, 2014):

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management from any other sources.

VIGIL MECHANISM:

Your Company is committed to highest ethical and legal standards. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013.

COMPLIANCE WITH THE APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

MAINTENANCE OF COST RECORDS:

Your Company has complied with the Maintenance of Cost Records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their sincere gratitude for the co-operation, guidance, support and assistance provided during the year by its Bankers, Registrars and Industries Dept. of Govt., Local Authorities, Suppliers, Contractors, Customers and Vendors. Your Directors also wish to express their deep sense of appreciation for the dedicated services rendered by the staff at all levels towards its successful operations. The Directors also thank the Shareholders of the Company for reposing their faith in the Company and for giving their dedicated and ever-willing support towards taking the Company forward on the path of progress and growth.

for and on behalf of the Board

	Sanjay Kapote	**Vimal Kedia**
Bengaluru	Executive Director and CEO	Managing Director
17th June, 2020	DIN: 07529860	DIN: 00072923

Annexure-I

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To,

THE BOARD OF DIRECTORS
MANJUSHREE TECHNOPACK LIMITED

Dear Sirs & Madam

We undertake to comply with the conditions laid down in Section 149 of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) We declare that up to the date of this certificate, apart from receiving commission for attending Board and Committee Meetings, we did not have any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, Senior Management or its Holding Company, its Subsidiary and Associates as named in the Annexure thereto which may affect our independence as Director on the Board of the Company. We further declare that we will not enter into any such relationship/transactions. However, if and when we intend to enter into such relationships/transactions, whether material or non-material we shall keep prior approval of the Board. We agree that we shall cease to be an Independent Director from the date of entering into such relationship/transaction.

(b) We declare that we are not related to Promoters or Persons occupying management positions at the Board level or at one level below the Board and also have not been executive of the Company in the immediately preceding three financial years.

(c) We were not a partner or an executive or were also not partner or executive during the preceding three years, of any of the following:

   (i) the statutory audit firm or the internal audit firm that is associated with the Company and

   (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company

(d) We have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the Director, and was not a substantial Shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You

Yours faithfully

Date: 17-06-2020
Place: Bengaluru

Jayesh Merchant
Director Independent
DIN: 00555052

Ashok Sudan
Director Independent
DIN:02374967

Annexure – II

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the Financial Period ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
i)	CIN:	U67120KA1987PLC032636
ii)	Registration Date:	13th November, 1987
iii)	Name of the Company:	Manjushree Technopack Limited
iv)	Category /Sub-Category of the Company:	Company limited by shares and Indian Non-Government Company.
v)	Address of the registered office and contact details:	"MBH Tech Park", 2nd Floor, Survey No. 46(P) and 47 (P), Begur Hobli, Electronic City Phase-II, Bangalore 560 100, Karnataka, India
vi)	Tel. :	080-4343 6200
vii)	Fax. :	080-2783 2245
viii)	Email :	info@manjushreeindia.com
ix)	Website :	www.manjushreeindia.com
x)	Whether listed company:	No
xi)	Details of stock exchanges where the shares are listed:	Not Applicable
xii)	Name, Address and Contact details of Registrar and Transfer Registrars:	Integrated Registry Management Services Private Limited # 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003. Tel: (080) 2346 0815 / 818 Fax: (080) 2346 0819

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% total turnover of the company
1	PET / PP Jars, Bottles, Preforms, Closures & Shrink Film	22203	100%

III. PARTICUPARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Holding Company: AI Lenarco Midco Limited, Cyprus based Company has hold 77.24% share capital of Manjushree Technopack Limited, hence Manjushree Technopack Limited is the Subsidiary of AI Lenarco Midco Limited.

Subsidiary Company: MTL New Initiatives Private Limited was formed on 1st January, 2020 as Wholly Owned Subsidiary of Manjushree Technopack Limited.

Associate Company : NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

A. Category wise Share Holding:

Category of Shareholders	No. of shares held at the beginning of the year (as on 01-Apr-19)				No. of shares held at the end of the year (as on 31-Mar-20)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. PROMOTERS									
1) Indian									
a) Individual / HUF	595,315	-	595,315	4.39	-	-	-	-	4.39
b) Central Government									
c) State Govt.(s)									
d) Bodies Corporates	2,114,225	-	2,114,225	15.61	2,709,540	-	2,709,540	20	4.39
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)(1)	2,709,540	-	2,709,540	20.00	2,709,540	-	2,709,540	20	0
2) Foreign									
a) Individual / HUF									
b) Bodies Corporate									
Total shareholding of Promoter (A)(2)									
Total Shareholding Promoter & Promoter Group (A)=(A)(1)+(A)(2)	2,709,540	-	2,709,540	20.00	2,709,540	-	2,709,540	20	0
B. PUBLIC SHAREHOLDING									
1) Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									

Category of Shareholders	No. of shares held at the beginning of the year (as on 01-Apr-19)				No. of shares held at the end of the year (as on 31-Mar-20)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
h) Foreign Venture Capital funds									
i) Others (specify)	10,464,450	-	10,464,450	77.24	10,464,450	-	10,464,450	77.24	0
Sub-total(B)(1)	10,464,450	-	10,464,450	77.24	10,464,450	-	10,464,450	77.24	0
2) Non-Institutions **a) Bodies Corporate** i) Indian	26,480	400	26,880	0.20	29,117	400	29,517	0.21	0
ii) Overseas **b) Individuals** i) Individual share - holders holding normal share capital up to Rs.1lakh	246,785	53,467	300,252	2.22	251,748	410,46	292,794	2.19	0.03
ii) Individual share- holders holding normal share capital in excess of Rs.1 lakh	10,600	-	10,600	0.08	10,600	-	10,600	0.08	-
c) Others (specify) Non-Resident Indians	6,820	-	6,820	0.05	7,520		7,520	0.06	0.01
Overseas Corporate Bodies									
Foreign Nationals									
Clearing members	114	-	114	0.00	0	0	0	0	0
Trusts / Escrow Account	-	-	-	-					
IEPF	29,044	-	29,044	0.21	33,279	-	33,279	0.22	0.01
Foreign Bodies - D R									
Sub-total (B)(2)	10,784,293	53,867	10,838,160	80.00	10,796,714	41,446	10,838,160	80	0
Total Public shareholding (B)=(B)(1)+(B)(2)									
C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs									
Grand Total (A+B+C)	**13,493,833**	**53,867**	**13,547,700**	**100.00**	**13,506,254**	**41,446**	**13,547,700**	**100**	**0**

B. Share Shareholding of Promoters:

Sl No.	Shareholder's Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% change in share -holding during the period
		No. of Shares	% of total Shares of the company	% of Shares Pledged/en-cumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/en-cumbered to total shares	
1	Ankit Kedia	107063	0.79	-	-	-	-	0.79
2	Hitech Creations Pvt. Ltd.	950768	7.02	-	950768	7.02	-	-
3	Mphinite Solutions Pvt. Ltd.	1163457	8.59	-	1163457	8.59	-	-
4	Rajat Kedia	243549	1.80	-	-	-	-	1.80
5	Sashi Kedia	203090	1.50	-	-	-	-	1.50
6	Savita Kedia	7868	0.06	-	-	-	-	0.06
7	Surendra Kedia	14582	0.10	-	-	-	-	0.11
8	Vimal Kedia	19163	0.14	-	-	-	-	0.14
	Total	**2709540**	**20.00**	-	**2114225**	**15.61**	-	**4.39**

C. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Share holding at the beginning of the year 01-04-2019		Date	Increase/Decrease in Share Holding	Reason	Cumulative Share holding during the year - 31-03-2020	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Ankit Kedia	107,063	0.79	01.04.2019	SOLD			
				31.03.2020			**0**	**0**
2	Hitech Creations Pvt. Ltd.	950768	7.02	01.04.2019	NO CHANGE DURING THE YEAR			
				31.03.2020			**95,0768**	**7.02**
3	Mphinite Solutions Pvt. Ltd.	1,163,457	8.59	01.04.2019	NO CHANGE DURING THE YEAR			
				31.03.2020			**1,163,457**	**0**
4	Rajat Kedia	243,549	1.80	01.04.2019	SOLD			
				31.03.2020			**0**	**0**
5	Sashi Kedia	**203,090**	**1.50**	01.04.2019	SOLD			
				31.03.2020			**0**	**0**
6	Savita Kedia	7,868	0.06	01.04.2019	SOLD			
				31.03.2020			**0**	**0**
7	Shruti Kedia	9,600	0.07	01.04.2019	SOLD			
				31.03.2020			**0**	**0**
8	Surendra Kedia	14,582	0.10	01.04.2019	SOLD			
				31.03.2020			10	0
9	Vimal Kedia	19,163	0.14	01.04.2019	SOLD			
				31.03.2020			**0**	**0**

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of SDRs and ADRs):

Sl. No.	Shareholders Name	Share holding at the beginning of the Year - 01.04.2019		Date	Increase/Decrease in Share Holding	Reason	Cumulative Share holding during the year - 31.03.2020	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Indira Devi Jain	10600	0.08	01.04.2019	No Change During The Year			
				31.03.2020			**10600**	**0.08**
2	Chandresh Kothari			01.04.2019	Purchase During The Year			
				31.03.2020			**2400**	**0.01**
3	Hemant Majethia			01.04.2019	Purchase During The Year			
				31.03.2020			**3000**	**0.02**
4	Shree Mangalam Sales & Agencies	5000	0.04	01.04.2018	No Change During The Year			
				31.03.2019			**5000**	**0.04**
5	Raj Kumar Patwary	5000	0.04	01.04.2018	No Change During The Year			
				31.03.2019			**5000**	**0.04**
6	Oswal Trading Co. Private Limited			01.04.2019	Purchase During The Year			
				31.03.2020			**6835**	**0.05**
7	Radha Krishan Agarwal	4000	0.03	01.04.2018	No Change During The Year			
				31.03.2019			**4000**	**0.03**
8	Drolia Agencies Pvt. Ltd.			01.04.2019	Purchase During The Year			
				31.03.2020			**11900**	**0.09**
9	Ai Lenarco Midco Limited	10464450	77.24	10.10.2019	No Change During The Year			
				31.03.2020			**10464450**	**77.24**
10	IEPF Account	27283	0.20	01.04.2019	Shares Transferred To IEPF Account			
				31.03.2020			**33279**	**0.22**

E. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP		Shareholding at the beginning of the year	
			No. of shares	% of total shares of the company
1	At the beginning of the year	Vimal Kedia	191,163	0.14
		Surendra Kedia	14,582	0.11
		TOTAL	**33,745**	**2.84**
2	At the End of the year	Vimal Kedia	0	0
		Surendra Kedia	0	0
		TOTAL	**0**	**0**

V. INDEBTEDNESS:

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

(In accordance with IND AS) (Rupees in Lakhs except stated otherwise)

Sl. No.	Particulars	31.03.2020	31.03.2019
1	Long Term Debt	24,886.41	25,718.42
2	Short Term Debt	25,010.72	21,173.97
3	Interest Accrued & Due	3.55	0.96
4	Interest Accrued but not due	59.59	15.89
	TOTAL	**49,960.28**	**46,909.24**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rupees in Lakhs except stated otherwise)

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Vimal Kedia	Surendra Kedia	Sanjay Kapote	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	202	76.88	211.61	**491.45**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- as % of profit	—	—	—	—
	- Others, specify...	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total (A)	**202**	**76.88**	**211.61**	**491.45**
	Ceiling as per the Act	**474.69**	**—**	**—**	**949.37**

B. Remuneration to other Directors: (Rupees in Lakhs except stated otherwise)

Sl. No	Particulars of Remuneration	NAME OF DIRECTORS			Total Amount
		Manu Anand	Jeyesh Merchan	Ashok Suden	
1	Independent Directors				
	• Fee for attending board / committee meetings	—	—	—	—
	• Commission	50	27.50	36.37	103.87
	• Others, please specify	—	—	—	—
	TOTAL (1)	**50**	**27.50**	**36.37**	**103.87**
2	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	—	—	—	—
	• Commission	50.00	27.50	26.37	103.87
	• Others, please specify	—	—	—	—
	TOTAL (2)	—	—	—	—
	TOTAL (B)=(1+2)	**50.00**	**27.50**	**26.37**	**103.87**
	Total Managerial Remuneration	**252.96**	**104.38**	**237.98**	**595.32**
	Overall Ceiling as per the Act	**—**	**—**	**—**	**1044.31**

C. Remuneration to Company Secretary, CFO & CEO :

(Rupees)

Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	1324178	5591914	6916092
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	
2.	Stock Option	—	—	
3.	Sweat Equity	—	—	
4.	Commission - as % of profit - others, specify…	— —	— —	
5.	Others, please specify	—	—	
	TOTAL (A)	**1324178**	**5591914**	**6916092**
	Ceiling as per the Act	-		

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N I L

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	**COMPANY**		**N I L**			
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**		**N I L**			
	Penalty					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**		**N I L**			
	Penalty					
	Punishment					
	Compounding					

for and on behalf of the Board

	Sanjay Kapote	**Vimal Kedia**
Bengaluru	Executive Director and CEO	Managing Director
17th June, 2020	DIN: 07529860	DIN: 00072923

Annexure- III

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To
The Members
MANJUSHREE TECHNOPACK LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manjushree Technopack Limited bearing CIN: U67120KA1987PLC032636 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) There were no industry specific laws applicable to the Company from the list provided by the Institute of Company Secretaries of India.
(vi) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

i. Industries (Development & Regulation) Act, 1951
ii. The Factories Act, 1948
iii. The Apprentices Act, 1961
iv. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
vi. The Employees State Insurance Act, 1948
vii. The Workmen's Compensation Act, 1923
viii. The Maternity Benefits Act, 1961
ix. The Payment of Gratuity Act, 1972
x. The Payment of Bonus Act, 1965
xi. The Industrial Disputes Act, 1947
xii. The Trade Unions Act, 1926
xiii. The Payment of Wages Act, 1936
xiv. The Minimum Wages Act, 1948

xv. The Child Labour (Regulation & Abolition) Act, 1970
xvi. The Contract Labour (Regulation & Abolition) Act, 1970
xvii. The Industrial Employment (Standing Orders) Act, 1946
xviii. Equal Remuneration Act, 1976
xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
xxiii. The Industrial Establishments (National and Festival Holidays) Act, 1963
xxiv. The Karnataka Daily Wage Employees Welfare Act, 2012
xxv. Dangerous Machines (Regulation) Act, 1983
xxvi. Indian Boilers Act, 1923
xxvii. The Labour Welfare Fund Act, 1965
xxviii. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

i. The Environment Protection Act, 1986
ii. The Water (Prevention & Control of Pollution) Act, 1974
iii. The Air (Prevention & Control of Pollution) Act, 1981
iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
v. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

3) Economic/Commercial Laws & Rules:

i. The Competition Act, 2002
ii. The Indian Contract Act, 1872
iii. The Sales of Goods Act, 1930
iv. The Forward Contracts (Regulation) Act, 1952
v. The Indian Stamp Act, 1899
vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS – 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above as may be applicable during the year under review. Certain non material findings made during the course of the audit relating to the provisions of Companies Act and Labour Laws were addressed suitably by the Management.

I opine that the Company needs to take steps to comply with the provisions of the Secretarial Standards.

I further state that during the period under the review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable Labour Laws, environmental laws and other applicable laws as mentioned above.

Further, I report that with regard to financial and taxation matters, I have relied up on the Audit Reports, Limited Review Reports and the Internal Audit Reports provided by the Statutory/Internal Auditors, as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

As per the information received from the Company Secretary, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.
I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Bangalore
Date: 17.06.2020

(Vijayakrishna KT)
Practising Company Secretary
FCS No.: 1788
C P No.: 980
UDIN: **F001788B000349674**

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

'Annexure'

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
   I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under The Income Tax Act, The Customs Act, The Goods and Services Tax Act.
3. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc. as applicable from time to time.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
5. 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.

Place: Bangalore
Date: 17.06.2020

(Vijayakrishna KT)
Practising Company Secretary
FCS No.: 1788
C P No.: 980
UDIN: **F001788B000349674**

Annexure IV

Statement pursuant to sub Rule 5(2) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration to Managerial Personnel:

Top Ten Employees except Directors and KMPs (Rupees in Lakhs except stated otherwise)

Name	Designation	Age	DOJ	Place of Work	Salary Rs.	
S Satish	Chief Sales & Marketing Officer	48 Years	01-Mar-19	India	10930266	Per Annum
V K Baheti	Director - Operations	69 Years	04-Apr-02	India	11893060	Per Annum
Anil Tomer	Chief Operating Officer	42 years	07-Jun-19	India	963154	Per month

Annexure - V

CORPORATE SOCIAL RESPONSIBILTY POLICY :

(Pursuant to Section 135 of the Companies Act, 2013)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

Composition of the CSR Committee:

1. Mr. Ashok Sudan : Chairman
2. Mr. Surendra Kedia : Member
3. Mr. Vinod Padikkal : Member

Rs. In lakhs

Particulars	FY-19-20	FY-18-19
Average Net Profit of the Company for the last three financial years	6,965,89	7,336.21
Prescribed CSR expenditure (2% of Average Net Profits)	139.32	146.72
Details of CSR spend for the financial period	312.75	191.00
Amount unspent, if any	NIL	NIL
Reason of amount unspent	NA	NA

a) The CSR Committee has taken up initiatives for spending CSR amount for the purpose of spreading education among poor class of society. To fulfil this object, the Company has contributed Rs. 3.12 Crores (Rupees Three Crores Twelve Lakhs Only) during the Financial Year 2019-20 with Pandit Deendayal Upadhyay Smriti Sansthan of Rs. 3.12 Crores for promoting the Swachh Bharat Mission

b) Manner in which amount spent during the financial year is detailed below :

CSR project / activity identified	Sector in which the Project is covered	Projects / Programs 1) Local area or other 2) specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
Please refer to note (a) above						

Annexure - VI
FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL
2. Details of material contracts or arrangement or transactions at arm's length basis :

SL. NO.	PARTICULARS		Details
(a)	Name(s) of the related party and nature of relationship	:	1) Mr. Manu Anand (Mr. Manu) 2) Mr. Jayesh Merchant (Mr. Jayesh) 3) MTL New Initiatives Private Limited (MTLNIPL)
(b)	Nature of contracts / arrangements / transactions	:	Mr. Manu and Mr. Jayesh drawing professional fees more than threshold limit. Sale of fixed assets/ stock and unsecured loan to MTL NIPL, wholly owned subsidiary of Manjushree Technopack Limited (Manjushree)
(c)	Duration of the contracts/arrangements/transactions	:	Mr. Manu and Mr. Jayesh during the term of directorship. MTL NIPL till wholly owned subsidiary of Manjushree.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Mr. Manu and Mr. Jayesh drawing professional fees more than threshold limit. Sale of fixed assets/ stock and unsecured loan to MTL NIPL, wholly owned subsidiary of Manjushree
(e)	Justification for entering into such contracts or arrangements or transactions	:	Mr. Manu and Mr. Jayesh are experienced Directors and Manjushree will get benefit from their experience. MTL NIPL is doing its business in Silvassa and Bidadi, Karnataka.
(f)	Date(s) of approval by the Board	:	Mr. Manu -22-04-2019, Mr. Jayesh – 19-02-2020 MTL NIPL-17-06-2020
(g)	Amount paid as advances, if any:	:	NIL
(h)	Date on which the ordinary resolution was passed in general meeting/postal ballot as required under first proviso to section 188.	:	Mr. Manu- 06-06-2019, Mr. Jayesh 09-04-2020 MTL NIPL-not applicable as wholly owned subsidiary of Manjushree

for and on behalf of the Board

	Sanjay Kapote	**Vimal Kedia**
Bengaluru	Executive Director and CEO	Managing Director
17th June, 2020	DIN: 07529860	DIN: 00072923

Annexure-VII

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1	**Sl. No.**	**1 (Only one subsidiary)**
2	Name of the subsidiary	MTL New Initiatives Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2019 to 31st March, 2020
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
5	Share capital	INR 1,00,000/-
6	Reserves & surplus	Nil
7	Total assets	IRN 40,11,52,422/-
8	Total Liabilities	IRN 40,11,52,422/-
9	Investments	NIL
10	Turnover	INR 75,06,641/-
11	Profit before taxation	INR (27669972/-)
12	Provision for taxation	INR 919378/-
13	Profit after taxation	INR (28589350/-)
14	Proposed Dividend	NIL
15	% of shareholding	100%

Notes : The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : NIL

	Name of associates/Joint Ventures			
1.	Latest audited Balance Sheet Date	Not Applicable	Not Applicable	Not Applicable
		Not Applicable	Not Applicable	Not Applicable
2.	Shares of Associate/Joint Ventures held by the company on the year end	Not Applicable	Not Applicable	Not Applicable
	No.	Not Applicable	Not Applicable	Not Applicable
	Amount of Investment in Associates/Joint Venture	Not Applicable	Not Applicable	Not Applicable
	Extend of Holding%	Not Applicable	Not Applicable	Not Applicable
		Not Applicable	Not Applicable	Not Applicable
3.	Description of how there is significant influence	Not Applicable	Not Applicable	Not Applicable
		Not Applicable	Not Applicable	Not Applicable
4.	Reason why the associate/joint venture is not consolidated	Not Applicable Not Applicable	Not Applicable Not Applicable	Not Applicable Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable Not Applicable	Not Applicable Not Applicable	Not Applicable Not Applicable
6.	Profit/Loss for the year	Not Applicable	Not Applicable	Not Applicable
	i. Considered in Consolidation	Not Applicable	Not Applicable	Not Applicable
	ii. Not Considered in Consolidation	Not Applicable	Not Applicable	Not Applicable

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

for and on behalf of the Board

	Sanjay Kapote	**Vimal Kedia**
Bengaluru	Executive Director and CEO	Managing Director
17th June, 2020	DIN: 07529860	DIN: 00072923

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF MANJUSHREE TECHNOPACK LIMITED

Report on the Audit of the Ind AS Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of **MANJUSHREE TECHNOPACK LIMITED** ("theCompany"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the 'Act ') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements'section of our report. We are independent of the Company in accordance with the Code of Ethicsissued 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.

Emphasis of Matter

4. Attention is drawn to 'Note no. 49 ' regarding impact of COVID-19 on the carrying value of components disclosed in the financial statements of the Company. As represented by the Company and based on our review, we believe that these carrying amounts are not impacted by the business disruption due to COVID-19 as assessed at the date of audit report. Any future uncertainties which are measurable or unidentified at this point have not been considered.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report but does not include the Standalone Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions as per the applicable laws and regulations.

Responsibility of Management for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013

('the Act') with respect to the preparation of theseStandaloneFinancial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

9. In preparing theStandalone 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.
10. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit Standalone Financial Statements

11. 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 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 Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) 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.

b) To obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 auditors' 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.

e) 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.

13. 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.
14. 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.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3of the Order.
16. As required by Section 143 (3) of the Act, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far asit appears from our examination of those books.
    c) The Standalone Financial statements dealt with by thisReport are in agreement with the books of account.
    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
    e) On the basis of the written representations received from the Directors as on31 March 2020taken on record by the Board of Directors, none of the Directors are disqualified as on31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
    g) With respect to the other matters to be included in the Auditor's Report in accordance withRule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of ourinformation and according to the explanations given to us:
        i. The Company has disclosed the impact of pending litigations on its financial position in the Standalone Financial Statements;
        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **Singhvi, Dev & Unni LLP**
Chartered Accountants
Firm Registration No. 003867S / LLPIN : AAP-3305

Manoj Nair
Partner
Membership No.: 049426
UDIN : 20049426AAAABD2533
Bengaluru
18 June2020

ANNEXURE A TO THE AUDITORS' REPORT

(As referred to in paragraph 15 of the Independent Auditors' report of even date)

(i)

a) As per the information and explanation provided to us, the Company has maintained proper records showing full particulars, including quantitative details of fixed assets.

b) As per the information and explanations provided to us, the Company has a phased program for physical verification of the fixed assets to cover all locations over a period of three years. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its fixed assets.

c) As per the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii)

a) As per the information and explanations provided to us, the physical verification of inventories has been conducted by the management at reasonable intervals.

b) As per the information and explanations provided to us, no material discrepancies have been noticed on physical verification.

(iii) According to information and explanations given to us, the Company has granted unsecured working capital loan to wholly owned subsidiary covered in the Register maintained under Section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans as per the resolution dated 19 February 2020, in our opinion, prima facie, is not prejudicial to the Company's interest.

(b) The Company is in the process of finalizing the schedule of repayment of principal and payment of interest.

(c) There is no amount overdue for more than 90 days at the Balance Sheet date.

(iv) According to the information and explanations given to us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) As per the information and explanations provided to us, the Company has not accepted deposits. Thus, paragraph 3(v) of the Order is not applicable.

(vi) The Company is not required to maintain cost records in terms of sub-section (1) of section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014. Thus, paragraph 3(vi) of the Order is not applicable to the Company.

(vii)

a) As per the information and explanations provided to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, goods and service tax, cess and any other statutory dues with the appropriate authorities and there does not exist, any arrears of outstanding statutory dues, as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) As per the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of excise, value added tax, cess and goods and service tax which have not been deposited on account of any dispute except the following :

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. in Lakhs)
The Income Tax Act ,1961	Income tax	CIT (Appeals)-14, Bengaluru	AY 2014-15	225
			AY 2016-17	575
		CIT (Appeals)-LTU,Bengaluru	AY 2017-18	365

(viii) As per information and explanations provided to us, the Company has not defaulted in repayment of loans and borrowings from any financial institution or banks or dues to debenture holders as at 31 March 2020. The Company does not have any loans from Government during the year.

(ix) The Company did not raise monies by way of initial public offer, further public offer (including debt instruments). As per information and explanation given to us, the term loan taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of the audit.

(xi) As per the information and explanations provided to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) As per the information and explanations provided to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of related party transactions have been disclosed in 'Note 39' of "Notes to Accounts" affixed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) The Company has made private placement of compulsorily convertible debentures during the year under review and provisions of sections of 42 of the Companies Act, 2013 are complied with. As per information and explanation given to us, the funds have been applied for the purpose for which they were raised. Further the Company has not made any preferential allotment or private placement of shares in the year.

(xv) In our opinion and as per the information and explanations provided to us, during the yearthe Company has not entered into any non-cash transactions with Directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for **Singhvi, Dev & Unni LLP**
Chartered Accountants
FRN : 003867S/LLPIN: AAP- 3305

Manoj Nair
Partner
Membership No.: 049426
UDIN : 20049426AAAABD2533
Bengaluru
18 June 2020

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(As referred to in paragraph 16(f) of the Independent Auditors' report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act ("the Act")

1. We have audited the internal financial controls over financial reporting of **Manjushree Technopack Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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. Attention is also drawn to paragraph 4 of the independent auditors' report of even date, regarding the impact of Covid-19 on the Company.

for **Singhvi, Dev & Unni LLP**
Chartered Accountants
FRN : 003867S/LLPIN: AAP- 3305

Manoj Nair
Partner
Membership No.: 049426
UDIN : 20049426AAAABD2533
Bengaluru
18 June 2020

BALANCE SHEET AS AT 31 MARCH, 2020

(₹ in lakhs except stated otherwise)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
I. Assets			
Non-current assets			
(a) Property, plant and equipment	2	38,955.66	36,112.49
(b) Capital work-in-progress	2	4,830.53	3,325.22
(c) Intangible assets			
(i) Goodwill	2	8,000.00	-
(ii) Other intangible assets	2	7,514.16	4,009.24
(d) Investment properties	2	2,439.31	2,495.23
(e) Right of use assets		3,155.39	-
(f) Financial assets			
(i) Loans & advances	3	646.04	480.50
(ii) Other financial assets	4	-	3.10
(g) Other non-current assets	5	1,478.43	893.67
(h) Deferred tax assets		-	197.76
(i) Long term Investments		1.00	-
Current assets			
(a) Inventories	6	22,831.30	21,316.33
(b) Financial assets			
(i) Trade receivables	7	18,720.95	24,082.58
(ii) Cash and cash equivalents	8	47.21	42.31
(iii) Other bank balances	9	1,283.08	671.08
(iv) Other financial assets	10	2,413.62	285.13
(c) Other current assets	11	7,676.87	5,086.30
Assets held for sale		-	233.00
Total Assets		**119,993.55**	**99,233.94**
II. Equity and liabilities			
Equity			
(a) Equity share capital	12	1,371.86	1,371.86
(b) Other equity		44,510.58	35,347.23
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	18,757.71	18,217.45
(ii) Other financial liabilities	14	4,690.75	157.78
(b) Provisions	15	891.69	596.23
(c) Deferred tax liabilities (net)	16	688.18	-
(d) Lease obligations		1,726.88	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	25,010.72	21,173.97
(ii) Trade payables	18		
MSME payable		100.37	102.61
Other than MSME payable		6,930.77	8,550.05
(iii) Other financial liabilities	19	14,465.36	11,438.38
(b) Provisions	20	185.62	231.07
(c) Other current liabilities	21	663.06	2,047.31
Total equity and liabilities		**119,993.55**	**99,233.94**
Company profile and background	1.A		
Significant accounting policies	1.D		
Notes on financial statements and other explanatory information	32 to 52		

The notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Place : Bengaluru
Date : 18 June 2020

Manoj Nair
Partner
Membership No.: 049426

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020

(₹ in lakhs except stated otherwise)

Particulars	Note No.	Year Ened 31 March 2020	Year Ened 31 March 2019
I. Revenue from operations	**22**	108,050.24	114,890.22
Net revenue		**108,050.24**	**114,890.22**
II. Other income	**23**	1,686.91	527.26
III. Total income (I +II)		**109,737.15**	**115,417.48**
IV. Expenses			
(a) Cost of materials consumed	**24**	63,923.57	66,977.39
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**25**	(2,959.36)	1,110.78
(c) Employees' benefit expenses	**26**	7,823.93	6,037.08
(d) Power and fuel expenses	**27**	7,380.45	6,756.44
(e) Other manufacturing expenses	**28**	5,524.53	6,039.87
(f) Finance cost	**29**	4,242.80	4,124.59
(g) Depreciation and amortisation expenses	**2**	6,045.87	9,794.59
(h) Amortisation of right of use assets		417.74	-
(i) Other expenses	**30**	6,770.83	5,528.44
(j) Research & development expenses	**31**	707.25	1,304.38
Total expenses		**99,877.61**	**107,673.56**
V. Profit before exceptional items and tax (III-IV)		**9,859.54**	**7,743.92**
VI. Exceptional items		-	58.43
VII. Profit/(loss) before tax (V-VI)		**9,859.54**	**7,685.49**
VIII. Tax expense:			
(i) Current tax		1,965.15	3,207.90
(ii) Income tax for prior year		-	(307.93)
(iii) Deferred tax expense/(income)		885.93	(200.20)
IX. Profit/(loss) for the year		**7,008.46**	**4,985.72**
X. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of net defined benefit plans		**(98.10)**	**(79.86)**
(ii) Income tax relating to net defined benefit plans		**25.15**	**27.90**
XI. Total comprehensive income		**6,935.51**	**4,933.76**
Earnings (basic) per share in rupees (face value of ₹ 10/- each)		**51.19**	**36.42**
Earnings (diluted) per share in rupees (face value of ₹ 10/- each)		**50.69**	**36.42**
Company profile and background	1.A		
Significant accounting policies	1.D		
Notes on financial statements and other explanatory information	32 to 52		

The notes referred to above form an integral part of the statement of profit and loss.

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Manoj Nair
Partner
Membership No.: 049426

Place : Bengaluru
Date : 18 June 2020

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2020

(Rs. in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A. Cash flow from operating activities		
Profit/(Loss) before tax	9,859.54	7,685.44
Adjustments for:	-	
Depreciation and amortisation expense	6,121.48	10,062.35
Loss/(profit) on sale/disposal of property, plant & equipment (net)	118.29	(61.28)
Interest income	(86.31)	(119.85)
Dividend income on short-term securities	(4.74)	-
ESOP Cost	326.14	-
Finance costs	4,242.80	4,124.59
Operating profit before working capital changes	**20,577.20**	**21,691.25**
Adjustments for:		
Trade and other receivables	101.14	(6,373.27)
Inventories	(1,514.98)	(2,840.97)
Trade payables and other liabilities	(2,921.53)	3,757.68
Other adjustments related to Ind AS	1,613.25	-
Cash generated from operations	**17,855.08**	**16,234.69**
Direct taxes paid	(1,940.00)	(3,876.50)
Net cash generated from operating activities	**15,915.08**	**12,358.19**
B. Cash flow from investing activities		
Purchase of property, plant & equipment and capital work-in-progress	(8,328.91)	(9,697.50)
Purchase of property, plant & equipment and intangibles - “National Plastics”	(7,127.16)	-
Sale of property, plant & equipment	280.34	230.05
Advance towards sale of property, plant & equipment	-	1,400.00
Investment in subsidiary	(1.00)	
Dividend received	4.74	-
Interest received	86.31	119.85
Net cash (used in) / generated from investing activities	**(15,085.68)**	**(7,947.60)**
C. Cash flow from financing activities		
Proceeds from long term borrowings - “National Plastics”	5,767.50	(7,103.40)
Repayment of long term borrowings	(9,598.18)	(1,175.94)
Proceeds from/(repayment) of short term borrowings (net)	3,227.37	7,999.61
Proceeds from compulsorily convertible debentures	3,521.61	-
Capital subsidy received for Guwahati	500.00	-
Interest and financing charges paid	(4,242.80)	(4,124.59)
Net cash (used in) / generated from financing activities	**(824.50)**	**(4,404.32)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**4.90**	6.27
Cash and cash equivalents at the beginning of the year	**42.31**	36.04
Cash and cash equivalents at the end of the year (refer Note No. 8)	**47.21**	**42.31**

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2020 (Contd...)

(Rs. in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Notes:		
1. Cash and cash equivalents at the end of the year comprises of:		
Cash on hand	23.74	38.83
Balance with banks:		
(i) In current accounts	23.47	3.48
(ii) Fixed deposits		
Total	**47.21**	**42.31**

2. The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows".
3. Previous year's figures have been rearranged/regrouped to conform to the classification of the current year, wherever considered necessary.

As per our report of even date

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Manoj Nair
Partner
Membership No.: 049426

Place : Bengaluru
Date : 18 June 2020

for and on behalf of the Board

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Basant Kumar Mohata
Chief Financial Officer

Rasmi Ranjan Naik
Company Secretary

Place : Bengaluru
Date : 17 June 2020

NOTES FROMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

NOTE '2' : Property, plant & equipment

(₹ in lakhs except stated otherwise)

(I) Other than research & development

ITEM	Gross Block						Accumulated Depreciation And Amortization				Net Block	
	Opening as at 1 April 2019	Additions	Forex Loss / (Gain)	Total Additions	Disposals	Closing at 31-03-2020	Opening as at 1 April 2019	Depreciation & Amortization for the Year	Eliminated on disposal of assets	Closing as at 31 March 2020	As At March 31, 2020	As At March 31, 2019
A. Tangible assets												
1. Freehold land	577.62	517.80	-	517.80	-	1,095.42	-	-	-	-	1,095.42	577.62
2. Leasehold land	3,133.63	-	-	-	1,471.37	1,662.26	-	-	-	-	1,662.26	3,133.63
3. Building & civil works	9,817.83	2,491.95	-	2,491.95	-	12,309.78	3,577.82	273.51	-	3,851.33	8,458.45	6,240.01
4. Plant & machinery	56,254.55	4,531.78	82.46	4,614.24	1,572.73	59,296.06	34,636.47	2,770.13	831.98	36,574.62	22,721.44	21,618.08
5. Utility installations	6,283.48	545.63	-	545.63	165.82	6,663.29	4,012.79	285.99	56.97	4,241.81	2,421.48	2,270.69
6. Computer systems	185.53	86.13	-	86.13	6.76	264.90	140.03	28.99	6.40	162.62	102.28	45.50
7. Furniture & fixture	665.47	98.80	-	98.80	31.96	732.31	395.17	38.93	29.72	404.38	327.93	270.30
8. Vehicles	350.52	1.00	-	1.00	127.41	224.11	248.51	16.30	91.36	173.45	50.66	102.01
9. Other equipments	2,087.76	475.68	-	475.68	47.43	2,516.01	1,077.61	142.21	35.46	1,184.36	1,331.65	1,010.15
Total - A	**79,356.39**	**8,748.77**	**82.46**	**8,831.23**	**3,423.48**	**84,764.14**	**44,088.40**	**3,556.06**	**1,051.89**	**46,592.57**	**38,171.57**	**35,267.99**
Previous Year(A)	**75,476.15**	**7,876.61**	**157.32**	**8,033.93**	**-**	83,510.08	**37,544.37**	**7,797.79**	**-**	45,342.16	38,167.92	37,931.78
B. Intangible assets												
10. Computer software	139.18	35.82	-	35.82	-	175.00	126.62	13.76	-	140.38	34.62	12.56
11. Patents & trade marks	9,950.25	5,902.99	-	5,902.99	-	15,853.24	5,953.57	2,420.13	-	8,373.70	7,479.54	3,996.68
12. Goodwill	-	8,000.00	-	8,000.00	-	8,000.00	-	-	-	-	8,000.00	-
Total - B	**10,089.43**	**13,938.81**	**-**	**13,938.81**	**-**	**24,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**15,514.16**	**4,009.24**
Previous year(B)	**10,054.14**	**35.30**	**-**	**35.30**	**-**	**10,089.44**	**4,083.39**	**1,996.80**	**-**	**6,080.19**	**4,009.24**	**5,970.75**
Grand total (A+B)	**89,445.82**	**22,687.58**	**82.46**	**22,770.04**	**3,423.48**	**108,792.38**	**50,168.59**	**5,989.95**	**1,051.89**	**55,106.65**	**53,685.73**	**39,277.23**
Previous year(A+B)	**85,530.29**	**7,911.90**	**157.32**	**8,069.23**	**-**	**93,599.52**	**41,627.76**	**9,794.59**	**-**	**51,422.35**	**42,177.17**	**85,530.29**
(II) Research & development												
A. Tangible assets												
1. Building & civil works	167.48	-	-	-	-	167.48	27.99	2.33	-	30.32	137.16	139.49
2. Plant & machinery	1,696.05	13.12	2.10	15.22	-	1,711.27	1,087.68	60.02	-	1,147.70	563.57	608.39
3. Computer systems	0.80	-	-	-	-	0.80	0.76	-	-	0.76	0.04	0.04
4. Furniture & fixture	167.17	-	-	-	-	167.17	110.43	7.59	-	118.02	49.15	56.74
5. Other equipments	117.96	-	-	-	-	117.96	78.12	5.67	-	83.79	34.17	39.84
Total	**2,149.46**	**13.12**	**2.10**	**15.22**	**-**	**2,164.68**	**1,304.98**	**75.61**	**-**	**1,380.59**	**784.09**	**844.50**
Previous year	**2,012.62**	**119.97**	**16.89**	**136.86**	**-**	**2,149.48**	**1,037.21**	**267.76**	**-**	**1,304.98**	**844.50**	**975.41**
Grand total(I+II)												
A. Tangible asset	**81,505.85**	**8,761.89**	**84.56**	**8,846.45**	**3,423.48**	**86,928.82**	**45,393.38**	**3,631.67**	**1,051.89**	**47,973.16**	**38,955.66**	**36,112.49**
B. Intangible asset	**10,089.43**	**13,938.81**	**-**	**13,938.81**	**-**	**24,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**15,514.16**	**4,009.24**
(i) Goodwill		**8,000.00**		**8,000.00**	**-**	**8,000.00**	**-**	**-**	**-**	**-**	**8,000.00**	**-**
(ii) Other intangible assets	**10,089.43**	**5,938.81**	**-**	**5,938.81**	**-**	**16,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**7,514.16**	**4,009.24**
Grand total(I+II)	**91,595.28**	**22,700.70**	**84.56**	**22,785.26**	**3,423.48**	**110,957.06**	**51,473.57**	**6,065.56**	**1,051.89**	**56,487.24**	**54,469.82**	**40,121.73**
Previous year	**87,542.91**	**8,031.87**	**174.21**	**8,206.08**	**-**	**95,749.00**	**42,664.97**	**10,062.35**	**-**	**52,727.34**	**43,021.67**	**86,505.71**

Note 1 : Additions include an amount of ₹ 84.56 lakhs pertaining to foreign exchange gain capitalised on plant and machineries.
Note 2 : In the management's view, there is no impairment of assets as per Ind AS 36 - Impairment of Assets issued under the Companies (Indian Accounting Standards) Rules, 2015.
Note 3 : Intangible assets include brands, patent, trade marks and customer contract acquired under the business combination.
Note 4 : Freehold land includes land valuing ₹ 15.02 lakhs for which the title deeds are pending to be transferred in the name of the Company.
Note 5 : KIADB land, which is classified as leasehold land, will be transferred in the name of the Company on completion of lease period of 10 years.
Note 6 : Lease hold land includes lands which had been obtained on lease cum sale from respective government authority and where the legal title in respect of such land shall be registered in the name of the Company upon expiry of lease period.

NOTES FROMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

NOTE "2A" : Investment properties

(₹ in lakhs except stated otherwise)

ITEM	Gross Block						Accumulated Depreciation And Amortization				Net Block	
	Opening as at 1 April 2019	Additions/ Transfer	Forex Loss / (Gain)	Total Additions	Disposals	Closing as at 31 March 2020	Opening/ Transfer as at 1st April 2019	Depreciation & Amortization for the Year	Eliminated on disposal of assets	Closing as at 31 March 2020	As At 31 March 2020	As At 31 March 2019
1. Leasehold land	998.53	-	-	-	-	998.53	-	-	-	-	998.53	998.53
2. Building & civil works	2,102.07	-	-	-	-	2,102.07	615.34	54.64	-	669.98	1,432.09	1,486.73
3. Utility installations	26.19	-	-	-	-	26.19	16.22	1.28	-	17.50	8.69	9.97
	3,126.79	**-**	**-**	**-**	**-**	**3,126.79**	**631.56**	**55.92**	**-**	**687.48**	**2,439.31**	**2,495.23**
Previous Year	**-**	**3,126.09**	**-**	**3,126.09**	**-**	**3,126.09**	**549.12**	**82.44**	**-**	**631.56**	**2,495.23**	**-**

NOTE "2A" : ADDITIONAL NOTES

Investment properties comprise of a factory at Harohalli, Karnataka and the fit outs thereon, that is leased to third parties. The property has been leased for the period of 9 years with initial lock in period of 3 years.

Subsequent renewals will be negotiated with the lessee depending on the market condition of Company's business

Amounts recognised in profit and loss for investment properties	31 March 2020	31 March 2019
Rental income derived from investment properties	**300.00**	**157.55**
Less: Depreciation	**55.92**	**82.44**
Profit arising from investment properties before indirect expenses	**244.08**	**75.11**

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, accessibility, frontage and visibility. The aforesaid fair value is based on valuations performed by an accredited independent valuer.

Methodology adopted

The underlying land parcel of the subject property has been valued using the Direct Comparison Approach and the value of built-up structures & site improvements in the property has been estimated using Depreciated Replacement Cost Method. The fair value measurement is categorised in level 2 fair value hierarchy.

Premises given on operating lease:

The Company has given certain investment properties on operating lease. This lease arrangements is for the period 9 years beginning from September 2018 and includes both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

Particulars	Amount
For a period not later than one year	315.00
For a period later than one year and not later than five years	1,420.65
For a period later than five years	818.57

NOTE "2B" : CAPITAL WORK-IN-PROGRESS

Assets under installation	As at 31 March 2020	As at 31 March 2019
Building	510.56	1,936.16
Plant & machinery	4,312.71	1,364.22
Computers	-	20.00
Furniture & fixtures	7.26	4.83
TOTAL	**4,830.53**	**3,325.21**

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets		
NOTE "3" : LOANS & ADVANCES		
Non-current		
(Unsecured, considered good)		
Security deposits	424.99	321.36
Rental deposits	221.05	159.14
Total	**646.04**	**480.50**
NOTE "4" : OTHER FINANCIAL ASSETS		
Non-current		
Deferred rent	-	3.10
Total	**-**	**3.10**
NOTE "5" : OTHER NON-CURRENT ASSETS		
Non-current		
Capital advances	1,478.43	893.67
Total	**1,478.43**	**893.67**
Current assets		
NOTE "6" : INVENTORIES		
(As taken, valued and certified by the management-at cost or net realisable value whichever is lower)		
Raw materials	9,308.34	10,026.32
Finished and semi finished goods	11,536.69	8,559.54
Stores, spares and consumables	1,187.33	846.65
Packing materials	544.62	804.14
Traded goods	254.32	266.96
Goods in transit	-	812.72
Total	**22,831.30**	**21,316.33**
Financial assets		
NOTE "7" : TRADE RECEIVABLES		
Current		
Unsecured, considered good	18,720.95	24,082.58
Unsecured, considered doubtful	225.12	153.93
	18,946.07	24,236.51
Less : Expected credit loss provision	225.12	153.93
Total	**18,720.95**	**24,082.58**
NOTE "8" : CASH AND CASH EQUIVALENTS		
Cash on hand	23.74	38.83
Balances with banks		
In current accounts	23.47	3.48
Total	**47.21**	**42.31**

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
NOTE "9" : OTHER BANK BALANCE		
Margin deposits against letter of credit	1,253.90	612.57
Margin deposits against bank guarantee	18.86	46.29
Term deposit	0.25	0.25
Unclaimed dividend	10.07	11.97
Total	**1,283.08**	**671.08**
NOTE "10" : OTHER FINANCIAL ASSETS		
Current		
Interest accrued but not received	43.23	14.92
Deferred rent	-	4.05
MEIS scrips receivable	40.51	43.97
Receivable for sale of plant & machinery	-	222.19
Inter-company receivable	2,329.88	-
Total	**2,413.62**	**285.13**
NOTE "11" : OTHER CURRENT ASSETS		
Customs advance	18.89	-
Advance tax (net of provision for tax)	412.00	708.60
VAT refundable	3.44	3.44
Income tax refundable earlier years	1,301.72	1,301.72
Income tax demand under protest (AY 2002-03) *	2.00	2.00
GST receivable	957.18	292.88
Other deposit	12.28	17.69
Total A	**2,707.51**	**2,326.33**
Other loans and advances		
Prepaid expenses	442.06	126.04
Advance to employees	19.11	27.53
Advance to suppliers	4,488.35	2,526.33
Earnest money deposit	19.26	19.80
Rental advances	-	59.60
Unutilised license fees	0.58	0.67
Total B	**4,969.36**	**2,759.97**
Total (A+B)	**7,676.87**	**5,086.30**

* Relates to income tax demand under protest (AY 2002-03) tribunal set aside the order of commissioner and decision given in our favour with an instruction to reassess, which is still pending.

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020 No. of Shares	As at 31 March 2020 Amount	As at 31 March 2019 No. of Shares	As at 31 March 2019 Amount
NOTE "12" : SHARE CAPITAL				
Authorised capital				
Equity shares of ₹ 10/- each (previous year ₹ 10/- each)	15,000,000	1,500.00	15,000,000	1,500.00
Issued, subscribed and paid-up capital				
Equity shares of ₹ 10/- each (previous year ₹ 10/- each)				
Fully called and paid up in cash	13,547,700	1,354.77	13,547,700	1,354.77
Add: Forfeited shares (amount originally paid up)	239,500	17.09	239,500	17.09
(239,500 equity shares have been forfeited on 30 September 1997 for non-payment of allotment money)				
Total		**1,371.86**		**1,371.86**

(i) Reconciliation of no. of equity shares outstanding at the beginning and at the end of the current period:

Particulars	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value ₹ 10/- each				
As at beginning of the year	13,547,700	1,354.77	13,547,700	1,354.77
Add: number of shares issued during the year	-	-	-	-
Less: number of shares bought back during the year	-	-	-	-
As at end of the year	**13,547,700**	**1,354.77**	**13,547,700**	**1,354.77**

(ii) Share holders holding more than 5% equity shares in the Company:

Class of share / Name of the shareholder	No of Shares held	% of Shares held	No of Shares Held	% of Shares held
Equity shares of face value ₹ 10/- each				
AI lenarco midco limited	10,464,450	77.24%	10,464,450	77.24%
Hitech creations private limited	950,768	7.02%	950,768	7.02%
Mphinite solutions private limited	1,163,457	8.59%	1,163,457	8.59%

(iii) Company has only one class of shares referred to as equity shares of ₹ 10/- each. Each equity share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iv) The Company has a holding Company. For disclosure regarding number of shares held by the holding Company, please refer note (ii)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020 (Contd...)

(₹ in lakhs except stated otherwise)

A. Equity Share Capital (Refer Note 12)					
Balance as at		Changes in equity share capital during the year		Balance as at	
1 April 2018	1 April 2019	2018-19	2019-20	31 March 2019	31 March 2020
1,372	1,372	-	-	1,372	1,372

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Component of Compound financial Instruments	ESOP Outstanding		
Balance as at 1 April 2018	**2,735.32**	**1,300.00**	**27,713.91**	-	-	-	**31,749.23**
Profit/(Loss) for the year -	-		4,985.67	-	-	-	**4,985.67**
Adjustments on acccount of IndAS 115	-	-	(159.78)	-	-	-	**(159.78)**
Other comprehensive income	-	-	-	-	-	(51.95)	**(51.95)**
Dividend and tax thereon	-		(1,175.94)	-		-	**(1,175.94)**
Balance as at 31 March 2019	**2,735.32**	**1,300.00**	**31,363.86**	**-**	**-**	**(51.95)**	**35,347.23**
Profit/(loss) for the period	-	-	7,008.46				**7,008.46**
Equity component of compulsorily convertible debentures	-	-	-	1,901.70	-	-	**1,901.70**
ESOP	-	-	-	-	326.14	-	**326.14**
Other comprehensive income	-	-	-	-		(72.95)	**(72.95)**
Balance as at 31 March 2020	**2,735.32**	**1,300.00**	**38,372.32**	**1,901.70**	**326.14**	**(124.90)**	**44,510.58**

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Manoj Nair
Partner
Membership No.: 049426

Place : Bengaluru
Date : 18 June 2020

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non Current	Current	Non Current
Financial liabilities				
NOTE "13" : NON-CURRENT BORROWINGS				
Secured				
Term loans				
(a) Term loans (refer note 13.1 below)				
(ai) Rupee term loan (refer note 13.1 below)	5,997.02	15,682.11	7,500.97	15,555.91
(aii) FCNRB term loan (refer note 13.2 below)	-		-	
(aiii) Buyer's credit (for capital goods) (refer note 13.3 below)	-	1,587.37	-	2,661.54
(b) Compulsorily convertible debentures (refer Note 13.4 below)	131.68	1,488.23	-	-
Total	**6,128.70**	**18,757.71**	**7,500.97**	**18,217.45**

Note 13.1: Term loans from State Bank of India (SBI) and from ICICI Bank are secured by way of hypothecation of Company's present and future movable property plant & equipments comprising plant and machineries, equipment, etc. along with equitable mortgage of immovable properties located at Bengaluru, Baddi, Pantnagar, Manesar, Amritsar and Guwahati. The SBI term loan carried an interest rate of 9.5% p.a till Jan 2019 and a revised rate of 8.85 % p.a in January 2020 and is repayable in quarterly installments.The ICICI bank term loan had an interest rate of 9.60% and was revised to 9.25% in the month of November 2019, which is repayable in quarterly installments, last of which is due on 2023.Term loan from Kotak Mahindra Bank (KMB) is secured by way of hypothecation of Company's present and future movable property plant and equipments comprising plant and machineries, equipment, etc. along with equitable mortgage of immovable properties located at Bengaluru, Baddi, Panthnagar, Manesar, Amritsar and Guwahati.

Particulars	Repayable in number of instalments	Rate of interest in %	Number of instalments remaining
Term loan 3	32	8.85%	5
Term loan 6	24	8.85%	1
Term loan 8	24	8.85%	13
Term loan 9	24	8.85%	14
Term loan 8-II	24	8.85%	13
Term loan 9-II	24	8.85%	14
Term loan 12	24	8.85%	13
ICICI term loan I & II	24	9.25%	13
KMB term loan	20	8.85%	20

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

Note 13.2 : Buyer's credit on capital goods represents vendor liability settled on the basis of letters of credit issued by State Bank of India, security for the said buyer's credit are same as stated.

Note 13.3 : Buyer's credit shall be substituted by term loan to be disbursed upon maturity of buyer's credit.

Note 13.4 : The Company has issued 35,21,614 compulsory convertible debentures ("CCD") at par with face value of ₹ 100 each amouting to ₹ 3522 lakhs. The "CCD" shall have a tenure of 8 years and is convertible into 2,15,000 equity shares at the earlier of: (i) the exercise of its right to convert the CCDs into the conversion shares by the investor, by issuing a notice to the board in this regard; or (ii) the expiry of tenor. The simple interest rate of 9% is payable the value of CCD on half yearly basis. The Company has classifed the "CCD" as compound financial instrument and has computed debt and equity element based on the Ind AS 32.

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
NOTE "14" : OTHER FINANCIALS LIABILITIES		
Non-current		
Rental deposit	89.06	122.72
Security deposit	40.00	25.00
Deferred purchase consideration	4,559.18	-
Deferred Rent	2.51	10.06
Total	**4,690.75**	**157.78**
NOTE "15" : NON-CURRENT PROVISIONS		
Provision for employees benefits		
Gratuity	482.57	223.44
Compensated absences	409.12	372.79
Total	**891.69**	**596.23**
NOTE "16" : DEFERRED TAX LIABILITIES (NET)		
Deferred tax assets		
Provision for gratuity	144.73	124.33
Provision for compensated absences	131.33	164.76
Other employee benefits	120.33	152.21
Provision for doubtful debts	23.66	19.55
Total A	**420.05**	**460.85**
Deferred tax liabilities		
Depreciation on fixed assets	1,108.23	263.09
Total B	**1,108.23**	**263.09**
Deferred tax liabilities (net) (B-A)	**688.18**	**(197.76)**

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial liabilities		
NOTE "17" : BORROWINGS		
Current, secured (refer note below)		
Working capital loans	25,010.72	21,173.97
Total	**25,010.72**	**21,173.97**

Note : Working capital loans from bank are secured against present and future movable assets of the Company like inventory, debtors, plant and machineries, etc.

NOTE "18" : TRADE PAYABLE

Current		
Due to micro enterprises and small enterprises (refer note below)	100.37	102.61
Other than micro enterprises and small enterprises	6,930.77	8,550.05
Total	**7,031.14**	**8,652.66**

Note :

Due to micro enterprises and small enterprises

Details relating to dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 is on the basis of such parties having been identified by the management. The Company has not received any claim for interest from any supplier under the said Act. The following table provides the details:

The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year.	100.37	102.61
Interest due there on remaining unpaid to any supplier at the end of each accounting year.	4.11	-
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	

During the year, there were few instances of delayed payment to MSME vendors beyond 45 days for which the Parent Company has filed MSME Form I with ROC. The delay in payments was due to the following reasons:

i. Payment terms of 60 days;
ii. Delay in receipt of corrected invoices from MSME vendors; and
iii. Lock-down due to COVID-19.

The management is estimating an impact of approximately ₹ 4.11 lakhs as interest on such delayed payments.

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
NOTE "19" : OTHER FINANCIAL LIABILITIES		
Current		
Current maturities of long term borrowings	6,128.70	7,500.97
Interest accrued and due on borrowings	3.55	0.96
Interest accrued but not due on borrowings	59.59	15.89
Creditors for capital goods	1,635.32	976.35
Creditors for others	8.83	101.84
Derivatives on foreign exchange forward contracts	5.65	254.53
Deferred purchase consideration	3,817.97	514.51
Employees' benefits	1,496.90	1,512.23
Unpaid dividends	10.07	11.97
Other payables	1,291.22	541.57
Unearned rental income	7.56	7.56
Total	**14,465.36**	**11,438.38**
NOTE "20" : PROVISIONS		
Current		
Provisions for employees benefits		
Gratuity	82.23	132.35
Compensated absences	103.39	98.72
Total	**185.62**	**231.07**
NOTE "21" : OTHER CURRENT LIABILITIES		
Statutory liabilities		
(i) Tax deducted at source	131.67	49.37
(ii) Other statutory liabilities	159.08	89.30
(iii) Advance from customers	372.31	1,908.64
Total	**663.06**	**2,047.31**
NOTE "22" : REVENUE FROM OPERATIONS		
Products		
Domestic (refer notes below)	95,135.38	102,586.18
Exports	4,594.83	4,751.20
Other operating income		
Job-work income	7,893.04	7,202.89
High sea sales (net)	-	107.87
Duty drawback	4.23	2.00
Trading of export incentive scrips	115.70	142.21

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Storage and goods handling income	192.39	36.28
Design and development services	23.68	61.59
Discount and rebates	90.99	-
Total	**108,050.24**	**114,890.22**

Note 1 : Includes sale of moulds amounting to ₹ 29.50 lakhs (31 March 2019: ₹ 632.57 lakhs)

Note 2 : Includes sale of scrap amounting to ₹ 376.90 lakhs (31 March 2019: ₹ 411.56 lakhs)

NOTE "23" : OTHER INCOME

A. Interest		
On margin deposits with bank	62.23	43.20
On other deposits	24.08	76.66
Total (A)	**86.31**	**119.86**
B. Dividend Income		
Dividend Income from mutual funds	4.74	-
Total (B)	**4.74**	**-**
C. Other non-operating income		
Profit on sale of fixed assets	1,114.87	95.12
Discount	17.63	25.72
Rental income	300.00	157.55
Profit on sale of mutual funds	13.18	-
Foreign currency exchange gain (net)	128.66	107.67
Miscellaneous receipts	21.52	21.34
Total (C)	**1,595.86**	**407.40**
Total (A+B+C)	**1,686.91**	527.26

NOTE "24" : COST OF MATERIALS CONSUMED

Opening stock - raw materials	10,839.04	8,023.53
Opening stock - stock in trade	266.96	-
Opening stock - packing materials	804.14	512.55
Add: Purchase of raw materials (net of returns)	58,328.04	66,118.01
Add: Purchase of packing materials (net of returns)	3,792.67	4,233.44
	74,030.85	**78,887.53**
Less: Closing stock - raw materials	9,308.34	10,839.04
Less: Closing stock - stock in trade	254.32	266.96
Less: Closing stock - packing materials	544.62	804.14
Cost of materials consumed	**63,923.57**	**66,977.39**

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
NOTE "25" : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening stock of finished goods	8,559.54	9,670.32
Add: Purchase of finished goods	17.80	-
Less : Closing stock of finished goods	11,536.69	8,559.54
Net (increase) / decrease	**(2,959.35)**	**1,110.78**
NOTE "26" : EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and allowances	5,765.02	4,581.14
Directors' remuneration	595.31	428.75
Contribution to provident and other funds (refer note below)	267.50	241.45
Bonus	307.23	319.23
Gratuity	150.94	86.20
Compensated absences	88.05	84.04
ESOP cost	326.14	-
Staff welfare expenses	323.74	296.27
Total	**7,823.93**	**6,037.08**
Note : The Contribution to provident fund and other funds includes PF contribution for contract labour.		
NOTE "27" : POWER AND FUEL EXPENSES		
Power and fuel charges	7,380.45	6,756.44
Total	**7,380.45**	**6,756.44**
NOTE "28" : OTHER MANUFACTURING EXPENSES		
Repairs & maintenance		
Building & civil works	145.80	157.98
Plant & machinery	171.62	256.82
Others	183.73	146.32
Others		
Job work charges	25.15	166.39
Labour charges	3,734.81	3,425.55
Water charges	5.12	5.42
Consumable & stores	980.42	1,474.70
Freight and transportation	274.84	278.37
Factory rent	3.04	128.32
Total	**5,524.53**	**6,039.87**

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
NOTE "29" : FINANCE COST		
A) Interest cost		
Interest on rupee loans - term loans	1,569.87	1,564.67
Interest on rupee loans - cash credit	1,754.17	1,383.44
Interest on FCNRB loans - term loans	28.34	330.84
Export packing credit interest	-	0.51
Buyer's credit interest	76.60	90.25
Interest on ECB loan from EDC	-	0.78
Interest on bill discounting	392.04	365.37
Interest - others	54.48	4.16
Reaslised loss on forward contracts	102.15	86.04
Mark to market loss on forward contracts	5.65	253.83
Interest cost on lease obligation	139.56	-
B) Other borrowing cost		
Bank commission and charges	119.94	44.70
Total (A+B)	**4,242.80**	**4,124.59**
NOTE "30" : OTHER EXPENSES		
Business acquisition expenses	256.00	-
Rent	103.40	282.88
Rates, taxes and other fees	147.96	66.99
Insurance premium	282.84	108.73
Conveyance	110.92	114.63
Vehicles running and maintenance	85.93	122.26
Telephone charges	54.05	51.20
Printing and stationery	39.62	39.78
Postage and telegrams	49.31	51.53
Professional charges	960.34	458.05
Electricity charges	24.77	32.42
Membership and subscription	50.38	18.67
Miscellaneous expenses	35.83	38.73
Share registry	2.12	2.56
Computer maintenance	102.27	59.44
Hire charges of equipments	30.95	2.46
Auditors remuneration		
-as auditor	17.50	16.00
-for taxation matters	4.00	4.00

NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
-for other services	12.15	6.45
Security service charges	135.01	124.79
Travelling expenses	406.19	301.07
Provision for doubtful receivables	92.34	55.95
Bad debts written off	0.68	-
Loss on sale of fixed assets (net)	-	-
Loss on discarded/demolished assets	66.16	33.84
Corporate social responsibility	316.25	191.11
Advertisement , publicity and sales promotion	103.62	67.72
Seminar/ conference	32.10	52.17
Freight outwards	3,129.66	3,119.17
Sales commission	71.62	15.75
Staff quarter expenses	10.25	12.76
Brokerage / Commission	21.80	65.03
Lab testing expenses	14.81	12.30
Total	**6,770.83**	**5,528.44**

NOTE "31" : RESEARCH AND DEVELOPMENT EXPENSES

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Employees cost	618.77	634.56
Material cost (net of scrap sales)	4.91	372.33
Less: sales of scrap	(23.67)	-
Depreciation	75.63	267.76
Other expenditure	31.61	29.73
Total	**707.25**	**1,304.38**

NOTE: 32 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

(a) Accounting classifications and fair values

The financial assets and financial liabilities of the Company are of Level III catergory except for forward contracts derivative instruments which are classified as Level II.The following table shows the carrying amounts and fair values of the financial assets and liabilities.

PARTICULARS	As at 31 March 2020 Carrying amount / Fair Value	As at 31 March 2019 Carrying amount / Fair Value
Financial assets measured at amortised cost		
Trade receivables	18,720.95	24,082.58
Cash and cash equivalents	47.21	42.31
Other bank balance	1,283.08	671.08

(₹ in lakhs except stated otherwise)

PARTICULARS	As at 31 March 2020 Carrying amount / Fair Value	As at 31 March 2019 Carrying amount / Fair Value
Security deposits	424.99	321.36
Rental deposits	221.05	159.14
Other financial assets	2,413.62	288.23
Total	**23,110.90**	**25,564.70**
Financial liabilities measured at amortised cost		
Borrowings	49,897.13	46,892.39
Lease deposits	89.06	122.72
Security deposits	40.00	25.00
Deferred rent	2.51	10.06
Trade payables	7,031.14	8,652.67
Other financial liabilities	8,336.66	3,937.39
Financial liabilities measured at fair value		
Forward contracts payable (net of receivable)	5.65	254.53
Total	**65,402.15**	**59,894.76**

NOTE: 32 (i)

The Management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE: 32 (II)

The Forward contracts have been taken by the Company for hedging its foreign currency exposures for both receivable and payable in foreign currencies, and its fair value has been determined based on the forward rate provided by the bank for outstanding forward contracts.

NOTE: 33 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments: - credit risk (refer note (b) below)- liquidity risk (refer note (c) below)- market risk (refer note (d) below)

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(₹ in lakhs except stated otherwise)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans to related parties and cash and cash equivalents.The carrying amount of financial assets represents the maximum credit exposure.

i) Trade and other receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Deposits mainly consist of deposits made to government entities.

Expected credit loss (ECL) assessment for customers as at 31 March 2019 and 31 March 2020

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to repay the company, as per the agreed terms. The Company makes 100% provision on a loan or receivable aging more than a year unless its recoverability is confirmed. Where loans or receivables have been written off, the Company continues to engage in recovery of the receivables due. Where recoveries are made, these are recognized in Statement of Profit and Loss.

NOTE: 34 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

Expected credit loss (ECL) assessment for customers as at 31 March 2019 and 31 March 2020

All receivables above one year are considered to be doubtful and provision is created for any amount outstanding in excess of security deposit received, if any.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables

PARTICULARS	As at 31 March 2020 Gross Carrying amount	As at 31 March 2019 Gross Carrying amount
More than 180 days	225.12	153.93
Up to 180 days	18,720.95	24,082.58
Less: Expected credit loss provision	225.12	153.93
	18,720.95	**24,082.58**

(b) Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 47.21 lakhs at 31 March 2020 (31 March 2019: ₹ 42.31 lakhs). The cash and cash equivalents are mainly held with nationalised banks which have a very low risk of default.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Most of the borrowings of the Company are lease rental discounting loans, where the servicing of the debt is backed up by lease rentals received from customers and through escrow mechanism.

(₹ in lakhs except stated otherwise)

ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments and exclude the impact of netting agreements.

	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2020						
Borrowings	49,897.13	49,897.13	31,139.42	7,640.97	11,116.74	-
Lease deposits	89.06	89.06	-	-	89.06	-
Security deposits	40.00	40.00	40.00	-	-	-
Trade payables	7,031.14	7,031.14	7,031.14	-	-	-
Other payables	8,342.31	8,342.31	8,342.31	-	-	-
	65,399.64	**65,399.64**	**46,552.87**	**7,640.97**	**11,205.80**	**-**

ii) Maturities of financial liabilities (continued)

	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2019						
Borrowings	46,892.39	46,892.39	28,674.94	7,640.97	10,576.48	
Lease deposits	122.72	122.72	-	-	122.72	-
Security Deposit	25.00	25.00	25.00	-	-	-
Trade payables	8,652.67	8,652.67	8,652.67	-	-	-
Other payables	4,191.92	4,191.92	4,191.92	-	-	-
	59,884.70	**59,884.70**	**41,544.53**	**7,640.97**	**10,699.20**	**-**

NOTE: 35 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

Majority of the transactions entered into the company are denominated in INR. However, for certain transactions which are entered in foreign currency, the Company enters into forward exchange contract to mitigate the risks associated with foreign currency fluctuations.

Outstanding forward contracts

i. Outstanding short term forward exchange contracts entered into by the Company on account of payables:

As at	No. of Contracts	Currency	Amount
31 March 2020	8	USD	936.28
31 March 2020	1	JPY	406.41
31 March 2019	34	USD	8,425.26

(₹ in lakhs except stated otherwise)

ii. Outstanding Short Term Forward Exchange Contracts entered into by the Company on account of receivables:

As at	No. of Contracts	Currency	Amount
31 March 2020	24	USD	1,536.49
31 March 2019	4	USD	252.50

ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the year are as follows :-

	31 March 2020	31 March 2019
Variable rate borrowings	49,897.13	46,892.39
Fixed rate borrowings	-	-
Total Borrowings	**49,897.13**	**46,892.39**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Impact on Profit or Loss
	1% increase or decrease
31 March 2020	
Variable rate borrowings	498.97
31 March 2019	
Variable rate borrowings	468.92

NOTE "36":

Figures of the previous year have been reclassified and regrouped, wherever required, to comply with the Ind AS presentation.

NOTE "37":

Balances in debtors, creditors and advances accounts as appearing in the books of account at the close of relevant accounting year are subject to external confirmation/reconciliation after the year end as per standard practice followed by the Company.

NOTE "38": CAPITAL COMMITMENTS

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Estimated amount of contracts remaining to be executed on capital account (net of advances)	7,474.79	4,649.84

(₹ in lakhs except stated otherwise)

NOTE "39": RELATED PARTY DISCLOSURES

I) List of related parties and their relationship

A) Enterprises in which Directors have significant influence

- **a)** Mphinite Technologies Private Limited
- **b)** Mphinite Solutions Private Limited
- **c)** Manjushree Fincap Private Limited
- **d)** Shruti Financial Services Private Limited
- **e)** Hitech Creations Private Limited
- **f)** Jinvani Trading and Investment Company Private Limited
- **g)** SNT Merchants Private Limited
- **h)** Prapti Vinimay Private Limited
- **i)** Manjushree Extrusion Employees Group Gratuity Trust

B) AI Lenarco Midco Limited, Holding company
MTL New Initiatives Private Limited

C) Key managerial person (KMP)

- **a)** Vimal Kedia, Managing Director
- **b)** Surendra Kedia, Director
- **c)** Sanjay Kapote, CEO & Executive Director
- **d)** Basant Kumar Mohata, Chief Financial Officer
- **e)** Rasmi Ranjan Naik, Company Secretary

	Nature of transactions and related parties	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
(i)	Remuneration paid to Directors	595.31	659.76
(ii)	Rent paid	1.94	6.55
(iii)	Advance received towards Sale of assets	-	1,400.00
(iii)	Sale of assets	31.82	-

	Nature of transactions and related parties	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
	Payable to related parties		
(i)	Key managerial persons	-	40.00
(ii)	Rental payable	-	0.55
(iii)	Advance received	-	1,400.00
	Receivable from related parties		
(i)	Balance with subsidiary	2,329.88	-
(ii)	Key managerial persons	1.97	-

Note (i) Advance received last year towards sale of Immovable property at Bommasandra was concluded on 17th May 2019.

Note (ii) Remuneration to KMP does not include provision for gratuity and compensated leave expenses as per actuarial valuation.

(₹ in lakhs except stated otherwise)

Transactions with Subsidiary Company	Year Ended March 31, 2020	Year Ended March 31, 2019
(i) Sale of fixed assets	872.69	-
(ii) Sale of stock	75.00	-
(iii Other cross charges	1,174.01	-

NOTE "40": BUSINESS COMBINATION

A) The Company in the current year has acquired in scheme of slump sale, a running unit engaged in the business of manufacturing, marketing, and distributing of sprayers, pumps, dispensers and triggers under the name of "National Plastics" situated at Amritsar, Punjab pursuant to Business Transfer Agreement signed on 21 October 2019, at a consideration of ₹ 169,37.79 lakhs including earn payout consideration of ₹ 3,000 lakhs.The acquisition method of accounting is used to account for the Business Combinations under IndAs 103. The consideration transferred for the acquisition comprises of:

(i) Fair values of the assets transferred, reduced by

(ii) Liabilities incurred to the former owners of the acquired business.

The total fair value of net assets taken over by the Company is around ₹ 2,390.55 lakhs excluding intangible assets. However it includes fair value of tangible fixed assets taken over of ₹ 1,568.07 lakhs.

B)

Particulars	Fair value recognized on acquisition (Net of taxes)
Assets	
Property, plant and equipment	1,568.07
Intangible assets (patent, trade marks, customer contracts and brand)	13,902.99
Stock-in trade	287.59
Financial assets	861.79
Total assets	**16,620.44**
Liabilities	
Financial liabilities	326.91
Total liabilities	**326.91**
Total identifiable net assets at fair value	**16,293.53**
Purchase consideration	16,293.53

C) The Company has recognised fair value of assets and liabilities as above in the Balance Sheet in the year 2019-20.

D) Deferred consideration

As per terms of the Business Transfer Agreement, amount of ₹ 5,062 lakhs were deferred which was agreed to be paid on meeting certain terms and conditions in two installments of ₹ 2,062 lakhs and ₹ 3,000 lakhs, respectively. Further, deferred consideration has been discounted to present value and recognized at amortised cost in the books as per Ind AS 109 as at 31 March 2020.

(₹ in lakhs except stated otherwise)

NOTE "41": CONTINGENT LIABILITIES NOT PROVIDED FOR IN BOOKS OF ACCOUNTS:

Particulars	As on 31 March 2020			As on 31 March 2019		
	Total liability	Margin/ deposits	Net liability	Total liability	Margin/ deposits	Net liability
Disputed liability towards income tax under appeal	1,164.99	25.00	1,139.99	777.26	-	-
Customs duty on unfulfilled export obligations against imports vide licenses.	157.38		157.38	7.05	-	7.05
Bank guarantees outstanding	168.13	18.86	149.27	158.08	17.80	140.28
Unexpired letter of credit	1,000.54	1,253.90	(253.36)	752.05	25.19	726.86
Total	**2,491.04**	**1,297.76**	**1,193.28**	**1,694.44**	**42.99**	**874.19**

Note "42": EMPLOYEE BENEFITS

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined gratuity plan are given below:

Table showing changes in present value of obligations:

Period	As at March 31, 2020	As at March 31, 2019
Present value of the obligation at the beginning of the period	501.04	413.87
Interest cost	33.82	28.97
Current service cost	129.01	68.40
Past service Cost	-	-
Benefits paid (if any)	(67.11)	(21.48)
Actuarial (gain)/loss	148.83	11.28
Present value of the obligation at the end of the period	745.59	501.04

Bifurcation of total actuarial (gain)/loss on liabilities

Period	As at March 31, 2020	As at March 31, 2019
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	67.11	4.79
Experience adjustment (gain)/ loss for plan liabilities	81.72	6.49
Total amount recognised in other comprehensive Income	148.83	11.28

(₹ in lakhs except stated otherwise)

Key result (The amount to be recognised in the Balance sheet):

Period	As at 31 March 2020	As at 31 March 2019
Present value of the obligation at the end of the period	745.59	501.04
Fair value of plan assets at end of period	180.79	145.26
Net liability/(asset) recognized in Balance Sheet and related analysis	564.80	355.79
Funded status - surplus/ (deficit)	(564.80)	(355.79)

Expense recognized in the statement of profit and loss:

Period	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest cost	33.82	28.97
Current service cost	129.01	68.40
Past service cost	-	-
Expected return on plan asset	(11.89)	(10.89)
Expenses to be recognized in P&L	150.94	86.48

Other comprehensive (income) / expenses (remeasurement)

Period	Year Ended March 31, 2020	Year Ended March 31, 2019
Cumulative unrecognized actuarial (gain)/loss opening. B/F	18.79	3.66
Actuarial (gain)/loss - obligation	-	11.28
Actuarial (gain)/loss - plan assets	148.83	3.85
Total actuarial (gain)/loss	5.36	15.13
Cumulative total actuarial (gain)/loss. C/F	154.19	18.79

Net Interest Cost

Period	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest cost on defined benefit obligation	33.82	28.97
Interest income on plan assets	6.53	7.04
Net interest cost (Income)	27.29	21.93

Table showing changes in the fair value of planned assets:

Period	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at the beginning of the period	145.26	155.58
Another Gratuity fund with LIC	30.89	
Expected return on plan assets	11.89	10.89
Contributions	65.23	4.12
Benefits paid	(67.11)	(21.48)
Actuarial gain/(loss) on plan assets	(5.36)	(3.85)
Fair value of plan asset at the end of the period	180.80	145.26

(₹ in lakhs except stated otherwise)

Table showing Fair value of planned assets:

Period	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at the beginning of the period	145.26	155.58
LIC Fund- additional	30.89	
Actual return on plan assets	6.53	7.04
Contributions	65.23	4.12
Benefits paid	(67.11)	(21.48)
Fair value of plan assets at the end of the period*	180.79	145.26

*100% of fund is managed by Insurance Company.

Actuarial (gain)/loss on planned assets:

Period	Year Ended March 31, 2020	Year Ended March 31, 2019
Actual return on plan assets	6.53	7.04
Expected return on plan assets	11.89	10.89
Actuarial gain/ (Loss)	(5.36)	(3.85)

Experience adjustment:

Period	Year Ended March 31, 2020	Year Ended March 31, 2019
Experience adjustment (gain) / loss for plan liabilities	81.72	6.49
Experience adjustment gain / (loss) for plan assets	(5.36)	(3.85)

Summary of membership data at the date of valuation and statistic based thereon:

Period	As at 31 March 2020	As at 31 March 2019
Number of employees	1,579.00	1,453.00
Total monthly salary	245.41	187.32
Average past service(years)	5.00	4.40
Average future service (year)	23.50	24.00
Average Age(Years)	34.50	34.00
Weighted average duration (based on discounted cash flows) in years	17.00	17.00
Average monthly salary in ₹	15,542.00	12,892.00

(₹ in lakhs except stated otherwise)

The assumptions employed for the calculations are tabulated:

Discount rate	6.75 % per annum	7.00 % per annum
Salary Growth Rate	8.00 % per annum	8.00 % per annum
Mortality	IALM 2012-14	IALM 2006-08 Ultimate
Withdrawal rate (Per Annum)	6.00% p.a.	22.00% p.a.

Benefits valued

Normal retirement age	58 Years	58 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting period	5 Years of service	5 Years of service
Benefits on normal retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00

Current Liability (Expected payout in next year as per schedule III of the Companies Act, 2013):

Period	As at 31 March 2020	As at 31 March 2019
Current liability (short term)*	82.23	132.35
Non current liability (long term)	666.93	368.70
Total liability	7,491.16	501.05

Note "43": RESEARCH AND DEVELOPMENT EXPENDITURES

The Company has an in-house research and development (R&D) centre located at Bidadi and Bommasandra. The Company has obtained recognition from Department of Scientific and Industrial Research w.e.f. 28 January 2014 at Bidadi and w.e.f 1 April 2016 at Bommsandra. It is involved in development activities for new products, improvement in existing products and process improvements.

Details of expenditure incurred on research and development are detailed below:

Period	Year End 31 March 2020	Year End 31 March 2019
Employees cost	618.77	634.56
Material cost	4.91	372.33
Travelling & conveyance expenses	-	-
Depreciation	75.63	267.76
Other expenditure directly related to R&D	31.61	29.73
Total (A)	**730.92**	**1,304.38**
Capital expenditure (**B**)	13.10	119.97
Total (C)	**744.02**	**1,424.35**

The deduction, if any, for the year ended 31 March 2020 will be subject to audit under Section 44AB of the Income-tax Act, 1961.

(₹ in lakhs except stated otherwise)

Note "44" : The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases prospectively. Accordingly, the Company has not restated comparative information.On transition, the Company recognized a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognized at an amount equal to lease liability as at 1 April 2019. Accordingly, a right-of-use asset and corresponding lease liability have been recognized at Rs.1,359 lakhs. Further, right to use assets includes unamortised leasehold improvements of Rs.1,471 lakhs.IndAs adjustment related to rental deposit paid have been reclassified from "Deferred Rent expenses" to "Right of use assets" in current year in accordance with IndAs 116.

Note "45" : The MEIS scrips income recorded in the financial year 2019- 20 is based on the receipt of scrips.

Note "46" : The Company has approved the 'Manjushree Technopack Limited - Employee Stock Option Plan 2019' ("ESOP 2019" / "Plan") on 6 June 2019 and has granted stock option to certain employees and Directors with grant date as 8 July 2019.

The number and weighted average exercise prices of share options for each of the following groups of options

Particulars	Year Ended March 31, 2020
Outstanding at the beginning of the period;	-
Granted during the period	541,908
Forfeited during the period	-
Exercised during the period	-
Expired during the period	-
Outstanding at the end of the period	541,908
Exercisable at the end of the period	-

Further, the Group has recognised ESOP cost of ₹ 326.14 lakhs during the year for ESOP granted to employees. The Group has determined the fair value of option based on Black-Scholes-Merton model which is one of the prescribed method under Ind AS 102. The fair value of each equity settled award is estimated as on grant date using Black Scholes Merton model with the following assumptions.

Particulars	Details
Share price	1,637.60
Exercise price	1,637.60
Expected volatility	0.10%
Expected life of options	1-5
Risk free rate	5.9% to 6.5%
Attrition rate	10.00%
Year	**ESOP price ₹**
Year 1	94.44
Year 2	187.50
Year 3	278.35
Year 4	366.31
Year 5	450.24

(₹ in lakhs except stated otherwise)

NOTE "47": OPERATING LEASE COMMITMENTS

The Company's significant leasing arrangements are in respect of operating leases for premises (staff quarters, office, stores, etc.). These leasing arrangements, which are cancellable (other than those specified below), range between 11 months and 10 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Not later than one year	521.46	99.84
Later than one year and not later than five years	1,278.77	339.00
Later than five years	360.96	193.28

NOTE "48": EARNING PER SHARE

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit after tax available for equity shareholders	6,935.46	4,933.76
Weighted average number of equity shares	135.48	135.48
Face value of equity share (₹)	10.00	10.00
Basic earning per share	51.19	36.42
Diluted earning per share	50.69	36.42

NOTE "49":

The Company has considered the possible effects resulting from business disruption due to COVID-19 on the carrying amounts of the components disclosed in the financial statements. Basis this assessment, the Company believes that these carrying amounts are not impacted by the business disruption due to COVID-19.In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

NOTE "50": FOR EVENTS AFTER REPORTING PERIOD:

The Board of Directors announced the retrospective increase in remuneration to Mr. Vimal Kedia, Mr. Surender Kedia, and prospective increase in remuneration to Mr. Jayesh Merchant on 18 February 2020. The shareholders' approval for the same was obtained after the end of the reporting period i.e. 8 April 2020. Hence, the provision for the increase in remuneration has been created as on 31 March 2020 as per Ind AS 10 - Events after the Reporting Period."

(₹ in lakhs except stated otherwise)

NOTE “51”:

During the year, the Company has subscribed 10000 equity share of Rs.10 each, equivalent to 100% shareholding in its wholly owned subsidiary, MTL New Initiatives Private Limited.

NOTE “52”: OPERATING SEGMENT

The Company is engaged in the manufacture and sale (both domestic & exports) of ‘PET preforms, plastic containers & shrink film,” which constitutes single business segment. The Chief Executive Officer, decision maker of the Company, evaluates the Company’s performance and allocates resources on overall basis hence no segment reporting disclosures .

As per our report of even date

for and on behalf of the Board

	for Singhvi, Dev & Unni LLP Chartered Accountants Firm Regn. No. 003867S/LLPIN : AAP-3305	**Sanjay Kapote** Executive Director & CEO DIN: 07529860	**Vimal Kedia** Managing Director DIN: 00072923
Place : Bengaluru Date : 18 June 2020	**Manoj Nair** Partner Membership No.: 049426	**Basant Kumar Mohata** Chief Financial Officer Place : Bengaluru Date : 17 June 2020	**Rasmi Ranjan Naik** Company Secretary

NOTE NO. 1

NOTES AND OTHER EXPLANATORY INFORMATION FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

A. COMPANY PROFILE AND BACKGROUND

Manjushree Technopack Limited (the Company) is a public limited company incorporated in the year 1987 under the Companies Act, 1956. The Company is engaged in providing packaging solutions, manufacturing and selling PET, Plastic Preforms and Containers. These products are sold in domestic markets and also exported. The Company has its production facilities spread across Karnataka, Himachal Pradesh, Uttarakhand,Haryana and Assam. The registered office of the Company is situated in Bengaluru, Karnataka.During the current year, the Company acquired the business of National Plastics in Amritsar, Punjab, as a strategic buy out to extend their product range to dispenser pumps.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The standalone financial statements are prepared under historical cost convention on a going concern and accrual basis in accordance with the provisions of the Companies Act, 2013, and comply with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 as well as guidance note issued by the Institute of Chartered Accountants of India.

The standalone financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

i. Financial instruments;

ii. Lease deposits;

iii. Lease obligations and Right of Use assets;

iv. Goodwill and Intangible assets acquired from National Plastics and Varahi;

v. Deferred consideration payable to National Plastics and Varahi; and

vi. ESOP liability.

The standalone financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

C. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience, various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

D. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

I) PROPERTY, PLANT AND EQUIPMENT

a) Land, both freehold and leasehold is carried at historical cost.

b) Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Items such as stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Costs in nature of repairs and maintenance, other than those resulting in enduring benefit and increases the economic life of the asset, are recognized in the Statement of Profit and Loss.

c) Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

d) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

II) INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the straight line method, in a manner similar to PPE.

III) CAPITAL WORK-IN-PROGRESS

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

IV) INTANGIBLE ASSETS

Intangible assets except goodwill are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets developed or acquired with finite useful life are amortized on straight line basis.Goodwill is not amortised but tested for impairment on annual basis.

Intangible assets consist of Patents, Trademark, Brand, Customer Relationship Contracts and Goodwill which were acquired from Varahi and National Plastics.

V) DEPRECIATION AND AMORTISATION

Property, plant and equipment are depreciated over the useful life prescribed under Schedule II to the Companies Act, 2013 under straight line method on a proportionate basis depending upon the period of use. Those assets acquired/discarded during the year are depreciated on pro-rata basis. Depreciation is provided from the date of capitalization on a Straight Line Method (SLM) at the rate prescribed under Schedule II to the Companies Act, 2013 or the rates determined based on management's estimate of useful lives of assets based on technical evaluation of the useful lives of such assets which reflects the nature, size and operations of the Company

Hitherto, the Parent Company, followed Written Down Value (WDV) method for depreciation till accounting year 31 March 2019. This change in depreciation from WDV to SLM is considered as change in accounting estimate as specified in the standard.

Intangible assets (Patents, Trademark, Brand and Customer Relationship Contracts) are amortised over their estimated useful life i.e. five years.

Computer software is amortised as per straight line method prescribed under Schedule II to the Companies Act, 2013.

VI) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent it is regarded as an adjustment to it.

Borrowing costs pertaining to financial assets and liabilities classified under amortised costs are amortized over the tenure of the borrowings using effective interest rate method.

A qualifying asset is an asset that necessarily requires a substantial period of time (presently, management considers 12 months as the time period for such qualifying assets) to get ready for its intended use or sale.

VII) VALUATION OF INVENTORIES

a) Raw materials, semi-finished goods, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

b) In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, first-in, first-out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

c) Cost of finished goods and semi-finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, taxes and duties as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

VIII) FOREIGN CURRENCY TRANSACTIONS AND DERIVATIVE INSTRUMENTS

1) Foreign currency transactions

a) Initial recognition - Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of foreign currency items at the Balance Sheet date - Foreign currency monetary assets and liabilities are restated at the closing exchange rates. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss except those long term foreign currency monetary liabilities which have been taken before 01 April 2019 for which Company has exercised the option mentioned in Note (c) below.

c) The Company has exercised its option pursuant to Notification GSR914 (E) dated 29 December 2011 issued by MCA for adjusting the exchange gain/loss to the cost of depreciable assets. In terms of notification GSR 913(E) dated 29 December 2011 the option is exercisable till the accounting period/s ending on or before 31 March 2020.

2) Derivative instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

IX) REVENUE RECOGNITION

a) Revenue from the sale of goods is recognized on satisfaction of performance obligation upon transfer of control of promised goods to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. The Company recognises revenue at fair value of consideration received or receivable excluding duties and tax collected from customers.

Effective 01 April 2018, the Company has adoptedIndian Accounting Standard 115 (Ind AS 115) - 'Revenuefrom contracts with customers' using the cumulativecatch-uptransition method, applied to contracts thatwere not completed as on the transition date i.e. 01April 2018.

b) Dividend income is recognized when the right to receive is established.

c) Interest income is accrued on a time proportionate basis.

d) Income from sale of scrap is recognized upon dispatch.

e) Revenue from job work is recognized on completion of service under the contract.

f) Duty drawback and other export incentives are recognized on accrual basis on receiving the grant from government.

g) Rental income is recognized based on contractual terms and conditions.

X) FINANCIAL INSTRUMENTS

1) Financial assets

a) Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through Profit or Loss. Financial assets carried at fair value through Profit or Loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b) Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI) or fair value through Profit or Loss on the basis of:

i) The entity's business model for managing the financial assets; and

ii) The contractual cash flow characteristics of the financial asset.

i) Measured at amortised cost

A financial asset is measured at amortised cost, if it is held under "the hold to collect business model" i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding.

Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

The losses arising from impairment of these assets are recognised in the Statement of Profit and Loss.

On derecognition of these assets, gain or loss, if any, is recognised to Statement of Profit and Loss.

ii) Measured at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI, if it is held under "the hold to collect and sell business model" i.e. held with an objective to collect contractual cash flows and selling such financial asset, and the contractual cash flows are solely payments of principal and interest on the principal outstanding.

It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method.

The losses arising from impairment of these assets are recognised in the Statement of Profit and Loss.

On derecognition of these assets, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

iii) Measured at fair value through profit or loss (FVTPL)

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVTOCI is measured at FVTPL. Such financial assets are measured at fair value and changes in fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss.

c) Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

As per Ind AS 109, for financial assets other than trade receivables, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses, if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component, and loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e. expected cash shortfall. The Company makes 100% provision on receivable aging more than a year unless their recoverability is confirmed.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

d) De-recognition

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expires, or it transfers the contractual rights to receive the cash flows from the asset.

2) Financial Liabilities

a) Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

b) Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

c) Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method.

Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are de-recognized.

d) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

e) Offsetting of financial instruments

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

XI) FAIR VALUE MEASUREMENT

a) The Company measures financial instruments, such as, derivatives 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, assuming that market participants act in their economic best interest.

b) 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 is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

c) The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

d) 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 reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

e) 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.

XII) LEASE

a) Ind AS 116 on accounting for leases, (notified by Ministry of Corporate Affairs (MCA) from reporting period 1 April 2019), introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases which is not a short-term lease, unless the underlying asset is low value in nature. As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

b) The Company has adopted and applied Ind AS 116 to its leases prospectively. Accordingly, the Company has not restated comparative information. . The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

c) On transition, the Company recognized a lease liability measured at the present value of the remaining lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the average of incremental borrowing rates.

d) The right-of-use asset is recognized at an amount equal to lease liability as at 1 April 2019. It is depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

e) For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

f) The company has provided its premises under operating lease. The lease agreements generally have an escalation clause and are structured to increase necessarily in line with expected general inflation and hence operating lease receipts are recognised as revenue in the Statement of Profit and Loss on actual basis over the lease term.

XIII) EMPLOYEE BENEFITS

a) Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee provident fund scheme, etc. are charged as an expense under Ind AS 32 based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

b) Defined benefit plans

The Company also provides for retirement/post-retirement benefits in the form of gratuity, compensated absences and medical benefits to the employees.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities.The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement ofchanges in equity and in the balance sheet.

c) Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance Sheet date determined based on an actuarial valuation.

Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

XIV) TAXES ON INCOME

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in Other Comprehensive Income.

a) Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/expenses and penalties, if any, related to income tax are included in current tax expense.

b) Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences and used tax losses only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For Deferred tax on Freehold land:

As per the clarification given by ITFG, if land is sold on slump sale basis, the tax base of the land would be the same as its carrying amount as indexation benefit is not available in case of slump sale under Income-tax Act, 1961. Therefore, there would be no temporary difference and consequently DTA would not be recognized.

Based on above clarification from ITFG, deferred tax on freehold land is not recognized by the Company because, end-use of such land is not determinable by the Company

c) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

XV) IMPAIRMENT OF ASSETS

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

XVI) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised 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 economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty.When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.A contingent asset is neither recognized nor disclosed in the financial statements.

XVII) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks and financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

XVIII) CASH FLOW STATEMENT

As per Ind AS 107 Statement of Cash Flow is reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

XIX) RESEARCH AND DEVELOPMENT EXPENSES

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable and the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably. Such intangible assets are amortised over its useful life.

XX) EARNING PER SHARE (EPS)

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

XXI) BUSINESS COMBINATION

Business combination has been accounted using the acquisition method under the provisions of Ind AS 103.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

XXII) EXCEPTIONAL ITEMS

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such materialitems are disclosed separately as exceptional items.

XXIII) ESOP ACCOUNTING

The company recognises compensation expense relating to share based payments in net profit using fair value in accordance with Ind AS 102. "Share based payment". The estimated fair value of awards is charged as expense on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance multiple awards with a corresponding increase to share outstanding account.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MANJUSHREE TECHNOPACK LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of **MANJUSHREE TECHNOPACK LIMITED** ("the Company") and its subsidiary together referred to as("the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2020, 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 for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements")

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the 'Act ') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the ConsolidatedFinancial Statements'section of our report. We are independent of the Group in accordance with the Code of Ethicsissued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the ConsolidatedFinancial 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.

Emphasis of Matter

4. Attention is drawn to 'Note no. 47' regarding impact of COVID-19 on the carrying value of components disclosed in the financial statements of the Company. As represented by the Company and based on our review, we believe that these carrying amounts are not impacted by the business disruption due to COVID-19. Any future uncertainties which are measurable or unidentified at this point have not been considered.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report but does not include the ConsolidatedFinancial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

6. Our opinion on the ConsolidatedFinancial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the ConsolidatedFinancial Statements, our responsibility is to read the other

information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions as per the applicable laws and regulations.

Responsibility of Management for the Consolidated Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of theseConsolidatedFinancial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance 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 Accounting Standards specified under Section 133 of the Act. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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 theseConsolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

9. In preparing the Consolidated Financial Statements, the respective Boards of Directors of the companies included in the Group 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.

10. The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the ConsolidatedFinancial 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.

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    a) 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.

    b) To obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 auditors' report to the related disclosures in the ConsolidatedFinancial 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.

e) Evaluate the overall presentation, structure and content of the ConsolidatedFinancial Statements, including the disclosures, and whether the ConsolidatedFinancial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. 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.

14. 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.

Report on Other Legal and Regulatory Requirements

15. As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far asit appears from our examination of those books.

c) TheConsolidated Financial statements dealt with by thisReport are in agreement with the books of account.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the Directors as on31 March 2020taken on record by the Board of Directors, none of the Directors are disqualified as on31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance withRule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of ourinformation and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in the Consolidated Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

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

for **Singhvi, Dev & Unni LLP**
Chartered Accountants
FRN : 003867S/LLPIN: AAP- 3305

Manoj Nair
Partner
Membership No.: 049426
UDIN : 20049426AAAABE4221
Bengaluru
18 June 2020

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(As referred to in paragraph 15(f) of the Independent Auditors' report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act ("the Act")

1. We have audited the internal financial controls over financial reporting of **MANJUSHREE TECHNOPACK LIMITED** ("the Company") and its subsidiary together referred to as ("the Group") as of 31 March 2020 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Boards of Directors of the Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 "Guidance Note"). 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of ConsolidatedFinancial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of ConsolidatedFinancial 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

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note. Attention is also drawn to paragraph 4 of the independent auditors' report of even date regarding impact of Covid-19 on the Group.

for **Singhvi, Dev & Unni LLP**
Chartered Accountants
FRN : 003867S/LLPIN: AAP- 3305

Manoj Nair
Partner
Membership No.: 049426
UDIN : 20049426AAAABE4221
Bengaluru
18 June 2020

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020

(₹ in lakhs except stated otherwise)

Particulars	Note No.	As at 31 March 2020
I. Assets		
Non-current assets		
(a) Property, plant and equipment	2	39,553.06
(b) Capital work-in-progress	2	5,767.67
(c) Intangible assets		
(i) Goodwill	2	8,000.00
(ii) Other intangible assets	2	7,514.16
(d) Investment properties	2	2,439.31
(e) Right of use assets		4,882.99
(f) Financial assets		
(i) Loans & advances	3	761.54
(ii) Other financial assets	-	
(g) Other non-current assets	4	1,629.37
Current assets		
(a) Inventories	5	22,895.95
(b) Financial assets		
(i) Trade receivables	6	18,794.74
(ii) Cash and cash equivalents	7	67.23
(iii) Other bank balances	8	1,283.08
(iv) Other financial assets	9	74.24
(c) Other current assets	10	8,001.39
Assets held for sale	2	-
Total Assets		**121,664.73**
II. Equity and Liabilities		
Equity		
(a) Equity share capital	11	1,371.86
(b) Other equity		44,224.69
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	12	18,757.71
(ii) Other financial liabilities	13	4,690.75
(b) Provisions	14	898.89
(c) Deferred tax liabilities (net)	15	697.38
(d) Lease obligations		3,421.58
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	16	25,010.72
(ii) Trade payables	17	
MSME payable		100.37
Other than MSME payable		7,032.10
(iii) Other financial liabilities	18	14,605.61
(b) Provisions	19	186.10
(c) Other current liabilities	20	666.97
Total Equity and Liabilities		**121,664.73**
Group Company profile and background	1.A	
Significant accounting policies	1.D	
Notes on financial statements and other explanatory information	31 to 51	

The notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Manoj Nair
Partner
Membership No.: 049426

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

Place : Bengaluru
Date : 18 June 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs except stated otherwise)

Particulars	Note No.	Year Ended 31 March 2020
I. Revenue from operations	21	108,050.29
Net revenue		**108,050.29**
II. Other income	22	1,682.32
III. Total income (I +II)		**109,732.61**
IV. Expenses		
(a) Cost of materials consumed	23	63,910.38
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(2,966.99)
(c) Employees' benefit expenses	25	7,823.93
(d) Power and fuel expenses	26	7,398.84
(e) Other manufacturing expenses	27	5,592.07
(f) Finance cost	28	4,285.65
(g) Depreciation and amortisation expenses	2	6,056.55
(h) Amortisation of right of use assets		498.89
(i) Other expenses	29	6,843.22
(j) Research & development expenses	30	707.25
Total expenses		**100,149.79**
V. Profit before exceptional items and tax (III-IV)		9,582.82
VI. Exceptional items		-
VII. Profit/(loss) before tax (V-VI)		9,582.82
VIII. Tax expense:		
(i) Current tax		1,965.15
(ii) Income tax for prior year		-
(iii) Deferred tax expense/(income)	15	895.13
IX. Profit/(loss) for the year		**6,722.54**
X. Other comprehensive income		
Items that will not be reclassified to profit or loss		
(i) Remeasurements of net defined benefit plans		(98.10)
(ii) Income tax relating to net defined benefit plans		25.15
XI. Total comprehensive income		**6,649.59**
Earnings (basic) per share in rupees (face value of ₹ 10/- each) .		49.08
Earnings (diluted) per share in rupees (face value of ₹ 10/- each) .		48.61
Group Company profile and background	1.A	
Significant accounting policies	1.D	
Notes on financial statements and other explanatory information	31 to 51	

The notes referred to above form an integral part of the statement of profit and loss.

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Manoj Nair
Partner
Membership No.: 049426

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

Place : Bengaluru
Date : 18 June 2020

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2020

(Rs. in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020
A. Cash flow from operating activities	
Profit/(Loss) before tax	9,582.82
Adjustments for:	
Depreciation and amortisation expense	6,132.18
Loss/(profit) on sale/disposal of property plant & equipment (net)	118.29
Interest income	(79.11)
Dividend income on short term securities	(4.74)
ESOP Cost	326.14
Finance costs	4,285.65
Operating profit before working capital changes	**20,361.23**
Adjustments for:	
Trade and other receivables	1,926.68
Inventories	(1,579.61)
Trade payables and other liabilities	(2,767.43)
Other adjustments related to Ind AS	1,499.24
Cash generated from operations	**19,440.11**
Direct taxes paid	(1,940.00)
Net cash generated from operating activities	**17,500.11**
B. Cash flow from investing activities	
Purchase of property, plant & equipment and capital work-in-progress	(9,844.87)
Purchase of property, plant & equipment and intangibles - “National Plastics”	(7,127.16)
Sale of property, plant & equipment	280.34
Dividend received	4.74
Interest received	79.11
Net cash (used in) / generated from investing activities	**(16,607.84)**
C. Cash flow from financing activities	
Proceeds from long term borrowings - “National Plastics”	5,767.50
Repayment of long term borrowings	(9,598.18)
Proceeds from/(repayment) of short term borrowings (net)	3,227.37
Proceeds from compulsorily convertible debentures	3,521.61
Capital subsidy received for Guwahati	500.00
Interest and financing charges paid	(4,285.65)
Net cash (used in) / generated from financing activities	**(867.35)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	24.92
Cash and cash equivalents at the beginning of the year	42.31
Cash and cash equivalents at the end of the year (refer note no. 8)	67.23

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2020 (Contd...)

(Rs. in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020
Notes:	
1. Cash and cash equivalents at the end of the year comprises of:	
Cash on hand	24.69
Balance with banks:	
(i) In current accounts	42.54
(ii) Fixed deposits	
Total	**67.23**
2. The above Statement of Cash Flow has been prepared under the Indirect Method as set out in Ind AS 7 "Statement of Cash Flows".	

As per our report of even date

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Manoj Nair
Partner
Membership No.: 049426

Place : Bengaluru
Date : 18 June 2020

for and on behalf of the Board

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Basant Kumar Mohata
Chief Financial Officer
Place : Bengaluru
Date : 17 June 2020

Rasmi Ranjan Naik
Company Secretary

NOTES FROMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

NOTE ‘2’ : Property, plant & equipment

(₹ in lakhs except stated otherwise)

(I) Other than research & development

ITEM	Gross Block					Accumulated Depreciation And Amortization					Net Block
	Opening as at 1 April 2019	Additions	Forex Loss / (Gain)	Total Additions	Disposals	Closing as at 31-03-2020	Opening as at 1 April 2019	Depreciation & Amortization for the Year	Eliminated on disposal of assets	Closing as at 31 March 2020	As At March 31, 2020
A. Tangible assets											
1. Freehold land	577.62	517.80	-	517.80	-	1,095.42	-	-	-	-	1,095.42
2. Leasehold land	3,133.63	-	-	-	1,471.37	1,662.26	-	-	-	-	1,662.26
3. Building & civil works	9,817.83	2,491.95	-	2,491.95	-	12,309.78	3,577.82	273.51	-	3,851.33	8,458.45
4. Plant & machinery	56,254.59	4,967.98	82.46	5,050.44	1,572.73	59,732.30	34,636.47	2,777.54	831.98	36,582.03	23,150.27
5. Utility installations	6,283.48	598.50	-	598.50	165.82	6,716.16	4,012.79	286.69	56.97	4,242.51	2,473.65
6. Computer systems	185.53	93.57	-	93.57	6.76	272.34	140.03	29.48	6.40	163.11	109.23
7. Furniture & fixture	665.47	131.73	-	131.73	31.96	765.24	395.17	39.57	29.72	405.02	360.22
8. Vehicles	350.52	1.00	-	1.00	127.41	224.11	248.51	16.30	91.36	173.45	50.66
9. Other equipments	2,087.76	554.28	-	554.28	47.43	2,594.61	1,077.61	143.65	35.46	1,185.80	1,408.81
Total - A	**79,356.43**	**9,356.81**	**82.46**	**9,439.27**	**3,423.48**	**85,372.22**	**44,088.40**	**3,566.74**	**1,051.89**	**46,603.25**	**38,768.97**
B. Intangible assets											
10. Computer software	139.18	35.82	-	35.82	-	175.00	126.62	13.76	-	140.38	34.62
11. Patents & trade marks	9,950.25	5,902.99	-	5,902.99	-	15,853.24	5,953.57	2,420.13	-	8,373.70	7,479.54
12. Goodwill	-	8,000.00	-	8,000.00	-	8,000.00	-	-	-	-	8,000.00
Total - B	**10,089.43**	**13,938.81**	**-**	**13,938.81**	**-**	**24,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**15,514.16**
Grand total (A+B)	**89,445.86**	**23,295.62**	**82.46**	**23,378.08**	**3,423.48**	**109,400.46**	**50,168.59**	**6,000.63**	**1,051.89**	**55,117.33**	**54,283.13**
(II) Research & development											
A. Tangible assets											
1. Building & civil works	167.48	-	-	-	-	167.48	27.99	2.33	-	30.32	137.16
2. Plant & machinery	1,696.07	13.10	2.10	15.20	-	1,711.27	1,087.68	60.02	-	1,147.70	563.57
3. Computer systems	0.80	-	-	-	-	0.80	0.76	-	-	0.76	0.04
4. Furniture & fixture	167.17	-	-	-	-	167.17	110.42	7.60	-	118.02	49.15
5. Other equipments	117.96	-	-	-	-	117.96	78.11	5.68	-	83.79	34.17
Total	**2,149.48**	**13.10**	**2.10**	**15.20**	**-**	**2,164.68**	**1,304.96**	**75.63**	**-**	**1,380.59**	**784.09**
Grand total(I+II)											
A. Tangible asset	**81,505.91**	**9,369.91**	**84.56**	**9,454.47**	**3,423.48**	**87,536.90**	**45,393.36**	**3,642.37**	**1,051.89**	**47,983.84**	**39,553.06**
B. Intangible asset	**10,089.43**	**13,938.81**	**-**	**13,938.81**	**-**	**24,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**15,514.16**
(i) Goodwill		**8,000.00**		**8,000.00**	**-**	**8,000.00**	**-**	**-**	**-**	**-**	**8,000.00**
(ii) Other intangible assets	**10,089.43**	**5,938.81**	**-**	**5,938.81**	**-**	**16,028.24**	**6,080.19**	**2,433.89**	**-**	**8,514.08**	**7,514.16**
Grand total(I+II)	**91,595.34**	**23,308.72**	**84.56**	**23,393.28**	**3,423.48**	**111,565.14**	**51,473.55**	**6,076.26**	**1,051.89**	**56,497.92**	**55,067.22**

Note 1 : Additions include an amount of ₹ 84.56 lakhs pertaining to foreign exchange gain capitalised on plant and machineries.
Note 2 : In the management’s view, there is no impairment of assets as per Ind AS 36 - Impairment of Assets issued under the Companies (Indian Accounting Standards) Rules, 2015.
Note 3 : Intangible assets include brands, patent, trade marks and customer contract acquired under the business combination.
Note 4 : Freehold land includes land valuing ₹ 15.02 lakhs for which the title deeds are pending to be transferred in the name of the Parent Company.
Note 5 : KIADB land, which is classified as leasehold land, will be transferred in the name of the Parent Company on completion of lease period of 10 years.
Note 6 : Lease hold land includes land which had been obtained on lease cum sale from respective government authority and where the legal title in respect of such land shall be registered in the name of the Company upon expiry of lease period.

NOTES FROMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

NOTE : “ 2 A” : INVESTMENT PROPERTIES

(₹ in lakhs except stated otherwise)

ITEM	Gross Block					Accumulated Depreciation And Amortization					Net Block
	Opening as at 1 April 2019	Additions	Forex Loss / (Gain)	Total Additions	Disposals/	Closing as at 31 March 2020	Opening as at 1st April 2019	Depreciation & Amortization for the Year	Eliminated on disposal of assets	Closing as at 31 March 2019	Closing As At 31 March 2020
1. Leasehold Land	998.53	-	-	-	-	998.53	-	-	-	-	998.53
2. Building & Civil Works	2,102.07	-	-	-	-	2,102.07	615.34	54.64	-	669.98	1,432.09
3. Utility Installations	26.19	-	-	-	-	26.19	16.22	1.28	-	17.50	8.69
	3,126.79	**-**	**-**	**-**	**-**	**3,126.79**	**631.56**	**55.92**	**-**	**687.48**	**2,439.31**

NOTE “2A” : ADDITIONAL NOTES

Investment properties comprise of a factory at Harohalli, Karnataka and the fit outs thereon, that is leased to third parties. The property has been leased for the period of 9 years with initial lock in period of 3 years. Subsequent renewals will be negotiated with the lessee depending on the market condition of Parent Company’s business.

Amounts recognised in profit and loss for investment properties	**31 March 2020**
Rental income derived from investment properties	**300.00**
Less: depreciation	**55.92**
Profit arising from investment properties before indirect expenses	**244.08**

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, accessibility, frontage and visibility. The aforesaid fair value is based on valuations performed by an accredited independent valuer.

Methodology adopted

The underlying land parcel of the subject property has been valued using the direct comparison approach and the value of built-up structures & site improvements in the property has been estimated using Depreciated Replacement Cost Method. The fair value measurement is categorised in level 2 fair value hierarchy.

Premises given on operating lease:

The Company has given certain investment properties on operating lease. This lease arrangements is for the period 9 years beginning from September 2018 and includes both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

Particulars	**Amount**
For a period not later than one year	**15.00**
For a period later than one year and not later than five years	**1,420.65**
For a period later than five years	**818.57**

NOTE “2B” : CAPITAL WORK-IN-PROGRESS

Assets under installation	**As at 31 March 2020**
Building	510.56
Plant & machinery	5,249.85
Computers-	
Furniture & fixtures	7.26
Total	**5,767.67**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020
Financial assets	
NOTE "3" : LOANS & ADVANCES	
Non-Current	
(Unsecured, considered good)	
Security deposits	424.99
Rental deposits	336.55
Total	**761.54**
NOTE "4" : OTHER NON-CURRENT ASSETS	
Non-Current	
Capital advances	1,629.37
Total	**1,629.37**
Current assets	
NOTE "5" : INVENTORIES	
(As taken, valued and certified by the management-at cost or net realisable value whichever is lower)	
Raw materials	9,362.75
Finished and semi finished goods	11,544.33
Stores, spares and consumables	1,187.33
Packing materials	547.22
Traded goods	254.32
Total	**22,895.95**
Financial Assets	
NOTE "6" : TRADE RECEIVABLES	
Current	
Unsecured, considered good	18,794.74
Unsecured, considered doubtful	225.12
	19,019.86
Less : Expected credit loss provision	225.12
Total	**18,794.74**
NOTE "7" : CASH AND CASH EQUIVALENTS	
Cash on hand	24.69
Balances with banks	
In current accounts	42.54
Total	**67.23**
NOTE "8" : OTHER BANK BALANCE	
Margin deposits against letter of credit	1,253.90
Margin deposits against bank guarantee	18.86
Term deposit	0.25
Unclaimed dividend	10.07
Total	**1,283.08**

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020
NOTE "9" : OTHER FINANCIAL ASSETS	
Current	
Interest accrued but not received	33.73
MEIS scrips receivable	40.51
Total	**74.24**
NOTE "10" : OTHER CURRENT ASSETS	
Customs advance	18.89
Advance tax (net of provision for tax)	412.10
VAT refundable	3.44
Income tax refundable earlier years	1,301.72
Income tax demand under protest (AY 2002-03) *	2.00
GST receivable	1,279.58
Other deposit	12.30
Total A	**3,030.03**
OTHER LOANS AND ADVANCES	
Prepaid expenses	442.85
Advance to employees	20.32
Advance to suppliers	4,488.35
Earnest money deposit	19.26
Unutilised license fees	0.58
Total B	**4,971.36**
Total (A+B)	**8,001.39**

* Relates to income tax demand under protest (AY 2002-03) tribunal set aside the order of commissioner and decision given in our favour with an instruction to reassess, which is still pending.

NOTE "11" : SHARE CAPITAL

	No. of shares	Amount
Authorised capital		
Equity shares of ₹ 10/- each	15,000,000	1,500.00
Issued, Subscribed and Paid-up Capital		
Equity shares of ₹ 10/- each		
Fully called and paid up in cash	13,547,700	1,354.77
Add: Forfeited shares (amount originally paid up)	239,500	17.09
(239,500 equity shares have been forfeited on		
30 September 1997 for non-payment of allotment money)		
Total		**1,371.86**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020 (Contd...)

(₹ in lakhs except stated otherwise)

A. Equity Share Capital (Refer Note 11)

Balance as at		Changes in equity share capital		Balance as at	
1 April 2018	1 April 2019	2018-19	2019-20	31 March 2019	31 March 2020
1,372	1,372	-	-	1,372	1,372

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Component of Compound financial Instruments	ESOP Outstanding		
Balance as at 31 March 2019	**2,735.32**	**1,300.00**	**31,363.86**	**-**	**-**	**(51.95)**	**35,347.23**
Profit/(loss) for the period	-	-	6,722.54	-	-	-	**6,722.54**
Equity component of compulsorily convertible debentures	-	-	-	1,901.73	-		**1,901.73**
ESOP	-	-	-	-	326.14	-	**326.14**
Other comprehensive income	-	-	-	-		(72.95)	**(72.95)**
Balance as at 31 March 2020	**2,735.32**	**1,300.00**	**38,086.40**	**1,901.73**	**326.14**	**(124.90)**	**44,224.69**

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Manoj Nair
Partner
Membership No.: 049426
Place : Bengaluru
Date : 18 June 2020

Sanjay Kapote
Executive Director & CEO
DIN: 07529860
Bengaluru
17 June 2020

Vimal Kedia
Managing Director
DIN: 00072923
Bengaluru
17 June 2020

Basant Kumar Mohata
Chief Financial Officer
Bengaluru
17 June 2020

Rasmi Ranjan Naik
Company Secretary
Bengaluru
17 June 2020

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

(i) Reconciliation of no. of equity shares outstanding at the beginning and at the end of the current period:

Particulars	No. of shares	Amount
Equity Shares of face value ₹ 10/- each		
As at beginning of the year	13,547,700	1,354.77
Add: number of shares issued during the year	-	-
Less: number of shares bought back during the year	-	-
As at end of the year	**13,547,700**	**1,354.77**

(ii) Share holders holding more than 5% Equity Shares in Parent Company

Class of share / name of the shareholder	No of shares held	% of shares held
Equity Shares of face value ₹ 10/- each		
AI lenarco midco limited	10,464,450	77.24%
Hitech creations private limited	950,768	7.02%
Mphinite solutions private limited	1,163,457	8.59%

(iii) The Parent Company has only one class of shares referred to as equity shares of ₹ 10/- each. each equity share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(iv) For disclosure regarding number of shares held by the holding Company in Parent Company, please refer note (ii)

(v) Subsidiary is wholly owned by Manjushree Technopack Limited. Shareholding of Parent Company in MTL New Initiatives includes one share held by Sanjay Kapote to meet statutory requirements and its beneficial ownership still lies with Parent Company.

Particulars	As at 31 March 2020 Current	As at 31 March 2020 Non current
FINANCIAL LIABILITIES		
NOTE "12" : NON-CURRENT BORROWINGS		
Secured		
Term loans		
(a) Term loans (refer note 12.1 below)		
(ai) Rupee term loan (refer note 12.1 below)	5,997.02	15,682.11
(aii) Buyer's credit (For capital goods) (refer Note 12.2 and 12.3 below)	-	1,587.37
(b) Compulsorily convertible debentures (refer Note 12.4 below)	131.68	1,488.23
Total	**6,128.70**	**18,757.71**

NOTE 12.1: Term Loans from State Bank of India (SBI) and from ICICI Bank are secured by way of hypothecation of Parent Company's present and future movable property plant & equipments comprising plant and machineries, equipment, etc. along with equitable mortgage of immovable properties located at Bengaluru, Baddi, Pantnagar,

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Manesar, Amritsar and Guwahati. The SBI term loan carried an interest rate of 9.5% p.a till Jan 2019 and a revised rate of 8.85 % p.a in January 2020 and is repayable in quarterly installments.The ICICI bank term loan had an interest rate of 9.60% and was revised to 9.25% in the month of November 2019, which is repayable in quarterly installments, last of which is due on 2023.Term loan from Kotak Mahindra Bank (KMB) is secured by way of hypothecation of Parent Company's present and future movable property plant and equipments comprising plant and machineries, equipment, etc. along with equitable mortgage of immovable properties located at Bengaluru, Baddi, Panthnagar, Manesar, Amritsar and Guwahati.

Particulars	Repayable in number of instalments
Term loan 3	32
Term loan 6	24
Term loan 8	24
Term loan 9	24
Term loan 8-II	24
Term loan 9-II	24
Term loan 12	24
ICICI term loan I & II	24
KMB term loan	20

NOTE 12.2 : Buyer's credit on capital goods represents vendor liability settled on the basis of letters of credit issued by State Bank of India, security for the said Buyer's credit are same as stated.

Note 12.3 : Buyer's credit shall be substituted by term loan to be disbursed upon maturity of buyer's credit.

NOTE 12.4 : The Parent Company has issued 35,21,614 compulsory convertible debentures ("CCD") at par with face value of ₹ 100 each amouting to ₹ 35,21,61,400. The "CCD" shall have a tenure of 8 years and is convertible into 2,15,000 equity shares at the earlier of: (i) the exercise of its right to convert the CCDs into the conversion shares by the investor, by issuing a notice to the board in this regard; or (ii) the expiry of tenor. The simple interest rate of 9% is payable the value of CCD on half yearly basis. The Parent Company has classifed the "CCD" as compound financial instrument and has computed debt and equity element based on the Ind AS 32.

Particulars	As at 31 March 2020
NOTE "13" : OTHER FINANCIALS LIABILITIES	
Non-Current	
Rental deposit	89.06
Security deposit	40.00
Deferred purchase consideration	4,559.18
Deferred rent	2.51
Total	**4,690.75**
NOTE "14" : NON-CURRENT PROVISIONS	
Provision for employees benefits	
Gratuity	482.57
Compensated absences	409.12
Provision for expenses	7.20
Total	**898.89**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020
NOTE "15" : DEFERRED TAX LIABILITIES (NET)	
Deferred tax assets	
Provision for gratuity	144.73
Provision for compensated absences	131.33
Other employee benefits	120.33
Provision for doubtful debts	23.66
Total A	**420.05**
Deferred tax liabilities	
Depreciation on fixed assets	1,117.43
Total B	**1,117.43**
Deferred tax liabilities (net) (B-A)	**697.38**
Financial liabilities	
NOTE "16" : BORROWINGS	
Current,secured (refer note below)	
Working capital loans	25,010.72
Total	**25,010.72**
Note : Working capital loans from bank are secured against present and future movable assets of the Parent Company like inventory, debtors, plant and machineries, etc.	
NOTE "17" : TRADE PAYABLE	
Current	
Due to micro enterprises and small enterprises (refer note below)	100.37
Other than micro enterprises and small enterprises	7,032.10
Total	**7,132.47**
Note :	
Due to micro enterprises and small enterprises	
Details relating to dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 is on the basis of such parties having been identified by the management. The Group has not received any claim for interest from any supplier under the said Act. The following table provides the details:	
The principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year.	100.37
Interest due there on remaining unpaid to any supplier at the end of each accounting year.	4.11
The amount of interest paid by the Group along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-
The amount of interest due and payable for the period of delay in making payment	

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020 (Contd...)

(₹ in lakhs except stated otherwise)

Particulars	As at 31 March 2020
(which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-
The amount of interest accrued and remaining unpaid at the end of the year.	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	

During the year, there were few instances of delayed payment to MSME vendors beyond 45 days for which the Parent Company has filed MSME Form I with ROC. The delay in payments was due to the following reasons:

i. Payment terms of 60 days;
ii. Delay in receipt of corrected invoices from MSME vendors; and
iii. Lock-down due to COVID-19.

The management is estimating an impact of approximately ₹ 4.11 lakhs as interest on such delayed payments.

NOTE "18" : OTHER FINANCIAL LIABILITIES

Current	
Current maturities of Long term borrowings	6,128.70
Interest accrued and due on borrowings	3.55
Interest accrued but not due on borrowings	59.59
Creditors for capital goods	1,734.37
Creditors for others	8.85
Derivatives on foreign exchange forward contracts	5.65
Deferred purchase consideration	3,817.97
Employees' benefits	1,535.58
Unpaid dividends	10.07
Other payables	1,293.72
Unearned rental income	7.56
Total	**14,605.61**

NOTE "19" : PROVISIONS

Current	
Provisions for employees benefits	
Gratuity	82.37
Compensated absences	103.73
Total	**186.10**

NOTE "20" : OTHER CURRENT LIABILITIES

Statutory liabilities	
(i) Tax deducted at source	135.58
(ii) Other statutory liabilities	159.08
(iii) Advance from customers	372.31
Total	**666.97**

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended 31 March 2020
NOTE "21" : REVENUE FROM OPERATIONS	
Products	
Domestic (Refer note 1 & 2 below)	95,119.85
Exports	4,594.83
Other operating income	
Job-work income	7,908.62
Duty drawback	4.23
Trading of export incentive scrips	115.70
Storage and goods handling income	192.39
Design and development Services	23.68
Discount and rebates	90.99
Total	**108,050.29**
Notes	
Note 1: Includes sale of moulds amounting to ₹ 29.50 lakhs	
Note 2: Includes sale of scrap amounting to ₹ 376.90 lakhs	
NOTE "22" : OTHER INCOME	
A. Interest	
On margin deposits with bank	62.23
On other deposits	16.88
Total (A)	**79.11**
B. Dividend Income	
Dividend income from mutual funds	4.74
Total (B)	**4.74**
C. Other non-operating income	
Profit on sale of fixed assets	1,114.87
Discount	17.63
Rental income	300.00
Profit on sale of mutual funds	13.18
Foreign currency exchange gain (Net)	131.27
Miscellaneous receipts	21.52
Total (C)	**1,598.47**
Total (A+B+C)	**1,682.32**
NOTE "23" : COST OF MATERIALS CONSUMED	
Opening stock - raw materials	10,839.04
Opening stock - stock in trade	266.96
Opening stock - packing materials	804.14
Add: purchase of raw materials (net of returns)	58,365.42
Add: purchase of packing materials (net of returns)	3,799.11
	74,074.67
Less: Closing stock - raw materials	9,362.75
Less: Closing stock - stock in trade	254.32
Less: Closing stock - packing materials	547.22
	63,910.38
Cost of materials consumed	**63,910.38**

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020
NOTE "24" : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	
Opening stock of finished goods	8,559.54
Add: Purchase of finished goods	17.80
Less : Closing stock of finished goods	11,544.33
Net (increase) / decrease	**(2,966.99)**
NOTE "25" : EMPLOYEE BENEFIT EXPENSES	
Salaries, wages and allowances	5,765.02
Directors' remuneration	595.31
Contribution to provident and other funds (refer note below)	267.50
Bonus	307.23
Gratuity	150.94
Compensated absences	88.05
ESOP cost	326.14
Staff welfare expenses	323.74
Total	**7,823.93**
Note: The contribution to provident fund and other funds includes PF contribution for contract labour.	
NOTE "26" : POWER AND FUEL EXPENSES	
Power and fuel charges	7,398.84
Total	**7,398.84**
NOTE "27" : OTHER MANUFACTURING EXPENSES	
Repairs & maintenance	
Building & civil works	172.69
Plant & machinery	174.74
Others	190.56
Others	
Job work charges	25.16
Labour charges	3,749.94
Water charges	5.12
Consumable & stores	987.12
Freight and transportation	277.25
Factory rent	9.49
Total	**5,592.07**

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020
NOTE "28" : FINANCE COST	
A) Interest cost	
Interest on rupee loans - term loans	1,569.87
Interest on rupee loans - cash credit	1,754.17
Interest on FCNRB loans - term loans	28.34
Buyer's credit interest	76.60
Interest on bill discounting	392.04
Interest - others	54.48
Reaslised loss on forward contracts	102.79
Mark to market loss on forward contracts	5.65
Interest cost on Lease obligation	181.64
B) Other borrowing cost	
Bank commission and charges	120.07
Total	**4,285.65**
NOTE "29" : OTHER EXPENSES	
Business acquisition expenses	256.00
Rent	106.40
Rates, taxes and other fees	152.00
Insurance premium	282.90
Conveyance	111.16
Vehicles running and maintenance	86.26
Telephone charges	54.51
Printing and stationery	41.74
Postage and telegrams	49.62
Professional charges	965.69
Electricity charges	29.90
Membership and subscription	50.38
Miscellaneous expenses	36.43
Share registry	2.12
Computer maintenance	102.54
Hire charges of equipments	30.95
Auditors remuneration	
- as auditor	20.00
- for taxation matters	4.00
- for other services	12.15
Security service charges	139.72
Travelling expenses	408.15
Provision for doubtful receivables	92.34

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020
Bad debts written off	0.68
Loss on discarded/demolished assets	66.16
Corporate social responsibility	316.25
Advertisement , publicity and sales promotion	103.64
Seminar/ conference	32.10
Freight outwards	3,134.63
Sales commission	71.62
Staff quarter expenses	10.25
Reimbursement of employee related cost	35.89
Brokerage & commission	22.23
Lab testing expenses	14.81
Total	**6,843.22**
NOTE "30" : RESEARCH AND DEVELOPMENT EXPENSES	
Employees cost	618.77
Material cost (net of scrap sales)	4.91
Less: sales of scrap	(23.67)
Depreciation	75.63
Other expenditure	31.61
Total	**707.25**

NOTE: 31 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

(a) Accounting classifications and fair values

The financial assets and financial liabilities of the Group are of Level III catergory except for forward contracts derivative instruments which are classified as Level II.

The following table shows the carrying amounts and fair values of the financial assets and liabilities

Particulars	As at March 31, 2020 Carrying amount/ Fair Value
Financial assets measured at amortised cost	
Trade receivables	18,794.75
Cash and cash equivalents	67.23
Other bank balance	1,283.08
Security deposits	424.99
Rental deposits	336.55
Other financial assets	74.24
Total	**20,980.84**

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020 (Cond.)

(₹ in lakhs except stated otherwise)

Particulars	Year Ended March 31, 2020 Carrying amount/ Fair Value
Financial liabilities measured at amortised cost	
Borrowings	49,897.13
Lease deposits	89.06
Security deposits	40.00
Deferred rent	2.51
Trade payables	7,132.47
Other financial liabilities	8,482.56
Financial Liabilities measured at fair value	
Forward contracts payable (net of receivable)	5.65
Total	**65,649.38**

Note: 31 (i) The Management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note: 31 (ii) The Forward contracts have been taken by the Group for hedging its foreign currency exposures for both receivable and payable in foreign currencies, and its fair value has been determined based on the forward rate provided by the bank for outstanding forward contracts.

Note: 32 Financial instruments - risk management

The Group has exposure to the following risks arising from financial instruments: - credit risk (refer note (b) below)- liquidity risk (refer note (c) below)- market risk (refer note (d) below)

(a) Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans to related parties and cash and cash equivalents.The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020 (Cond.)

(₹ in lakhs except stated otherwise)

However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Deposits mainly consist of deposits made to government entities.

Expected credit loss (ECL) assessment for customers as at 31 March 2020

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to repay the Group, as per the agreed terms. The Group makes 100% provision on a loan or receivable aging more than a year unless its recoverability is confirmed. Where loans or receivables have been written off, the Group continues to engage in recovery of the receivables due. Where recoveries are made, these are recognized in Statement of Profit and Loss.

Note: 33 Financial instruments - risk management (continued)

Expected credit loss (ECL) assessment for customers as at 31 March 2020

All receivables above six months are considered to be doubtful and provision is created for any amount outstanding in excess of security deposit received, if any.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables

Particulars	As at March 31, 2020 Gross Carrying amount
More than 180 days	225.12
Up to 180 days	18,794.75
Less: Expected credit loss provision	225.12
	18,794.75

(a) Cash and cash equivalents

The Group holds cash and cash equivalents of ₹ 67.23 lakhs at 31 March 2020. The cash and cash equivalents are mainly held with nationalised banks which have a very low risk of default.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Most of the borrowings of the Group are lease rental discounting loans, where the servicing of the debt is backed up by lease rentals received from customers and through escrow mechanism.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in lakhs except stated otherwise)

	Carrying amount	Total	0–12 months	1–2 years	2–5 years	More than 5 years
As at 31 March 2020						
Borrowings	49,897.13	49,897.13	31,139.42	7,640.97	11,116.74	-
Lease deposits	89.06	89.06	-	-	89.06	-
Security deposits	40.00	40.00		-	-	-
Trade payables	7,132.47	7,132.47	7,132.47	-	-	-
Other payables	8,488.21	8,488.21	8,488.21	-	-	-
	65,646.87	**65,646.87**	**46,760.10**	**7,640.97**	**11,205.80**	**-**

Note: 34 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

Majority of the transactions entered into the Group are denominated in INR. However, for certain transactions which are entered in foreign currency, the Group enters into forward exchange contract to mitigate the risks associated with foreign currency fluctuations.

Outstanding forward contracts

i. Outstanding short term forward exchange contracts entered into by the Group on account of payables:

As at	No. of Contracts	Currency	Amount
31 March 2020	8	USD	936.28
31 March 2020	1	JPY	406.41

ii. Outstanding Short Term Forward Exchange Contracts entered into by the Group on account of receivables:

As at	No. of Contracts	Currency	Amount
31 March 2020	24	USD	1,536.49

ii) Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

The exposure of the Group's borrowing to interest rate changes at the end of the year are as follows :-

	31 March 2020
Variable rate borrowings	49,897.13
Fixed rate borrowings	-
Total Borrowings	**49,897.13**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Impact on Profit or Loss 1% increase or decrease
31 March 2020	
Variable rate borrowings	498.97

(₹ in lakhs except stated otherwise)

Note "35": Balances in debtors, creditors and advances accounts as appearing in the books of account at the close of relevant accounting year are subject to external confirmation/reconciliation after the year end as per standard practice followed by the Group.

NOTE "36": CAPITAL COMMITMENTS

Particulars	Year ended 31 March 2020
Estimated amount of contracts remaining to be executed on capital account (net of advances)	7,480.31

NOTE "37": RELATED PARTY DISCLOSURES

I) List of related parties and their relationship

A) Enterprises in which Directors have significant influence

a) Mphinite Technologies Private Limited
b) Mphinite Solutions Private Limited
c) Manjushree Fincap Private Limited
d) Shruti Financial Services Private Limited
e) Hitech Creations Private Limited
f) Jinvani Trading and Investment Group Private Limited
g) SNT Merchants Private Limited
h) Prapti Vinimay Private Limited
i) Manjushree Extrusion Employees Group Gratuity Trust

B) AI Lenarco Midco Limited, Holding Company
MTL New Initiatives Private Limited

C) Key managerial person (KMP)

a) Vimal Kedia, Managing Director
b) Surendra Kedia, Director
c) Sanjay Kapote, CEO & Executive Director
d) Basant Kumar Mohata, Chief Financial Officer
e) Rasmi Ranjan Naik, Company Secretary

Nature of transactions and related parties	Year ended 31 March 2020
(i) Remuneration paid to directors*	595.31
(ii) Rent paid	1.94
(iii) Sale of assets	31.82

Nature of transactions and related parties	Year ended 31 March 2020
Payable to related parties	-
Receivable from related parties	
(i) Key managerial persons	1.97

Note - Remuneration to KMP does not include provision for gratuity and compensated leave expenses as per actuarial valuation.

(₹ in lakhs except stated otherwise)

NOTE "38": BUSINESS COMBINATION

A) The Group in the current year has acquired in scheme of slump sale, a running unit engaged in the business of manufacturing, marketing, and distributing of sprayers, pumps, dispensers and triggers under the name of "National Plastics" situated at Amritsar, Punjab pursuant to Business Transfer Agreement signed on 21 October 2019, at a consideration of ₹ 169,37.79 lakhs including earn payout consideration of ₹ 3,000 lakhs.The acquisition method of accounting is used to account for the Business Combinations under Ind AS 103. The consideration transferred for the acquisition comprises of: (i) Fair values of the assets transferred, reduced by (ii) Liabilities incurred to the former owners of the acquired business.The total fair value of net assets taken over by the Group is around ₹ 2,390.55 lakhs excluding intangible assets. However it includes fair value of tangible fixed assets taken over of ₹ 1,568.07 lakhs.

B)

Particulars	Fair value recognised on acquisition
Assets	
Property, plant and equipment	1,568.07
Intangible assets (patent, trade marks, customer contracts and brand)	13,902.99
Stock-in trade	287.59
Financial assets	861.79
Total assets	**16,620.44**
Liabilities	
Financial liabilities	326.91
Total liabilities	**326.91**
Total identifiable net assets at fair value	**16,293.53**
Purchase consideration	16,293.53

C) The Group has recognised fair value of assets and liabilities as above in the Balance Sheet in the year 2019-20.

D) Deferred consideration

As per terms of the Business Transfer Agreement, amount of ₹ 5,062 lakhs were deferred which was agreed to be paid on meeting certain terms and conditions in two installments of ₹ 2,062 lakhs and ₹ 3,000 lakhs, respectively. Further, deferred consideration has been discounted to present value and recognized at amortised cost in the books as per Ind AS 109 as at 31 March 2020.

NOTE "39": CONTINGENT LIABILITIES NOT PROVIDED FOR IN BOOKS OF ACCOUNTS:

Particulars	As on 31 March 2020		
	Total liability	**Margin/ deposits**	**Net liability**
Disputed liability towards income tax under appeal	1,164.99	25.00	1,139.99
Customs duty on unfulfilled export obligations against imports vide licenses.	157.38	-	157.38
Bank guarantees outstanding	168.13	18.86	149.27
Unexpired letter of credit	1,000.54	1,253.90	(253.36)
Total	**2,491.04**	**1,297.76**	**1,193.28**

(₹ in lakhs except stated otherwise)

NOTE "40": EMPLOYEE BENEFITS

Gratuity: In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Group makes annual contribution to the gratuity fund administered by Life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined gratuity plan are given below:

Table showing changes in present value of obligations:

Period	As at 31 March 2020
Present value of the obligation at the beginning of the period	501.04
Interest cost	33.82
Current service cost	129.01
Past service Cost	-
Benefits paid (if any)	(67.11)
Actuarial (gain)/loss	148.83
Present value of the obligation at the end of the period	745.59

Bifurcation of total actuarial (gain)/loss on liabilities

Period	As at 31 March 2020
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	67.11
Experience adjustment (gain)/ loss for plan liabilities	81.72
Total amount recognised in other comprehensive Income	148.83

Key result (The amount to be recognised in the Balance sheet):

Period	As at 31 March 2020
Present value of the obligation at the end of the period	745.59
Fair value of plan assets at end of period	180.79
Net liability/(asset) recognized in Balance Sheet and related analysis	564.80
Funded status - surplus/ (deficit)	(564.80)

Expense recognized in the statement of profit and loss:

Period	Year ended 31 March 2020
Interest cost	33.82
Current service cost	129.01
Past service cost	-
Expected return on plan asset	(11.89)
Expenses to be recognized in P&L	150.94

(₹ in lakhs except stated otherwise)

Other comprehensive (income) / expenses (remeasurement)

Period	Year ended 31 March 2020
Cumulative unrecognized actuarial (gain)/loss opening. B/F	18.79
Actuarial (gain)/loss - obligation	-
Actuarial (gain)/loss - plan assets	148.83
Total actuarial (gain)/loss	5.36
Cumulative total actuarial (gain)/loss. C/F	154.19

Net Interest Cost

Period	Year ended 31 March 2020
Interest cost on defined benefit obligation	33.82
Interest income on plan assets	6.53
Net interest cost (Income)	27.29

Table showing changes in the fair value of planned assets:

Period	As at 31 March 2020
Fair value of plan assets at the beginning of the period	145.26
Another Gratuity fund with LIC	30.89
Expected return on plan assets	11.89
Contributions	65.23
Benefits paid	(67.11)
Actuarial gain/(loss) on plan assets	(5.36)
Fair value of plan asset at the end of the period	180.80

Table showing Fair value of planned assets:

Period	As at 31 March 2020
Fair value of plan assets at the beginning of the period	145.26
LIC additional fund	30.89
Actual return on plan assets	6.53
Contributions	65.23
Benefits paid	(67.11)
Fair value of plan assets at the end of the period*	180.79

*100% of fund is managed by Insurance Group.

Actuarial (gain)/loss on planned assets:

Period	Year ended 31 March 2020
Actual return on plan assets	6.53
Expected return on plan assets	11.89
Actuarial gain/ (Loss)	(5.36)

(₹ in lakhs except stated otherwise)

Experience adjustment:

Period	Year ended 31 March 2020
Experience adjustment (gain) / loss for plan liabilities	81.72
Experience adjustment gain / (loss) for plan assets	(5.36)

Summary of membership data at the date of valuation and statistic based thereon:

Period	As at 31 March 2020
Number of employees	1,579.00
Total monthly salary	245.41
Average past service(years)	5.00
Average future service (year)	23.50
Average Age(Years)	34.50
Weighted average duration (based on discounted cash flows) in years	17.00
Average monthly salary in ₹	15,542.00

The assumptions employed for the calculations are tabulated:

Discount rate	6.75 % per annum
Salary Growth Rate	8.00 % per annum
Mortality	IALM 2012-14
Withdrawal rate (Per Annum)	6.00% p.a.
Benefits valued	
Normal retirement age	58 Years
Salary	Last drawn qualifying salary
Vesting period	5 Years of service
Benefits on normal retirement	15/26 * Salary * Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply
Limit	20.00

Current Liability (Expected payout in next year as per schedule III of the Companies Act, 2013):

Period	As at 31 March 2020
Current liability (short term)*	82.23
Non current liability (long term)	666.93
Total liability	749.16

NOTE “41”: RESEARCH AND DEVELOPMENT EXPENDITURES

The Group has an in-house research and development (R&D) centre located at Bidadi and Bommasandra. The Group has obtained recognition from Department of Scientific and Industrial Research w.e.f. 28 January 2014 at Bidadi and w.e.f 1 April 2016 at Bommsandra. It is involved in development activities for new products, improvement in existing products and process improvements.

(₹ in lakhs except stated otherwise)

Details of expenditure incurred on research and development are detailed below:

Particulars	Year Ended 31 March 2020
Employees cost	618.77
Material cost	4.91
Travelling & conveyance expenses	-
Depreciation	75.63
Other expenditure directly related to R&D	31.61
Total (A)	**730.92**
Capital expenditure (**B**)	13.10
Total (A+B)	**744.02**

Note "42": The Group has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases prospectively. Accordingly, the Group has not restated comparative information.On transition, the Group recognized a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognized at an amount equal to lease liability as at 1 April 2019. Accordingly, a right-of-use asset and corresponding lease liability have been recognized at ₹1,359 lakhsFurther, right to use assets includes unamortised leasehold improvements of ₹ 1,471 lakhs.IndAs adjustment related to rental deposit paid have been reclassified from "Deferred Rent expenses" to "Right of use assets" in current year in accordance with IndAs 116.

Note "43": The MEIS scrips income recorded in the financial year 2019- 20 is based on the receipt of scrips.

Note "44": The Group has approved the 'Manjushree Technopack Limited - Employee Stock Option Plan 2019' ("ESOP 2019" / "Plan") on 6 June 2019 and has granted stock option to certain employees and Directors with grant date as 8 July 2019.

The number and weighted average exercise prices of share options for each of the following groups of options

Particulars	Year ended 31 March 2020	Weighted average exercise price
outstanding at the beginning of the period;	-	
granted during the period	541,908	1,637.60
forfeited during the period	-	
exercised during the period	-	
expired during the period	-	
outstanding at the end of the period	541,908	1,637.60
exercisable at the end of the period	-	-

Further, the Group has recognised ESOP cost of ¹ 326.14 lakhs during the year for ESOP granted to employees. The Group has determined the fair value of option based on Black-Scholes-Merton model which is one of the prescribed method under Ind AS 102. The fair value of each equity settled award is estimated as on grant date using Black Scholes Merton model with the following assumptions.

(₹ in lakhs except stated otherwise)

Particulars	Details
Share price	1637.60
Exercise price	1637.60
Expected volatility	0.10%
Expected life of options	1-5
Risk free rate	5.9% to 6.5%
Attrition rate	10.00%
Year	**ESOP price ₹**
Year 1	94.44
Year 2	187.50
Year 3	278.35
Year 4	366.31
Year 5	450.24

NOTE "45": OPERATING LEASE COMMITMENTS

The Group's significant leasing arrangements are in respect of operating leases for premises (staff quarters, office, stores, etc.). These leasing arrangements, which are cancellable (other than those specified below), range between 11 months and 10 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Particulars	Year ended 31 March 2020
Not later than one year	883.75
Later than one year and not later than five years	2,869.18
Later than five years	610.22

NOTE "46": EARNING PER SHARE

Particulars	Year ended 31 March 2020
Profit after tax available for equity shareholders	6,649.56
Weighted average number of equity shares	135.48
Face value of equity share (₹)	10.00
Basic earning per share	49.08
Diluted earning per share	48.61

NOTE "47": The Group has considered the possible effects resulting from business disruption due to COVID-19 on the carrying amounts of the components disclosed in the financial statements. Basis this assessment, the Group believes that these carrying amounts are not impacted by the business disruption due to COVID-19.In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

(₹ in lakhs except stated otherwise)

NOTE “48”: GROUP INFORMATION:

Information about subsidiary : The consolidated financial statements of the Group includes subsidiay, MTL New Initiatives Private Limited, incorporated on 01 January 2020 in India. The Company is engaged in providing packaging solutions, manufacturing and selling PET, Plastic Preforms and Containers. The percentage of equity interest held as on 31 March 2020 is 100%

The summarised financial information of the subsidiary, MTL New Initiative Private Limited are provided below. This information is based on amounts before inter-company eliminations

Particulars	**Amount**
Revenue from contracts with customers	75.07
Other Income	4.91
Cost of raw material and components consumed	(47.06)
Power and fuel expenses	(18.39)
Other manufacturing expenses	(74.66)
Finance costs	(52.34)
Depreciation and amortisation expenses	(91.86)
Other Expenses	(72.37)
Profit before tax	(276.70)
Income tax	(9.19)
Total Comprehensive Income	(285.89)

The summarised Balance sheet of Subsidiary, MTL New Initiatives Private Limited

Particulars	**Amount**
Inventories, trade receivable and cash and cash equivalents and other current assets (current)	482.98
Right of use assets under Ind As 116	1,727.59
Property, plant and equipment and other non-currentfinancial assets (non-current)	1,800.96
Trade and other payable (current)	(2,585.33)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(16.39)
Lease obligation under IndAs 116	(1,694.69)
Total Equity	(284.89)
Attributable to:	
Equity holders of parents	(284.89)

Particulars	**Parent**	**Subsidiary**
consolidated net assets	44,510.42	(285.89)
consolidated profit/loss	7,008.30	(285.89)
Other Comprehensive income	(72.95)	-

Particulars	**Parent**	**Subsidiary**
% of consolidated net assets	100.65%	-0.65%
% of consolidated profit/loss	104.25%	-4.25%
% of Other Comprehensive income/Loss	100.00%	0.00%

(₹ in lakhs except stated otherwise)

NOTE "49": FOR EVENTS AFTER REPORTING PERIOD:

The Board of Directors of Group announced the retrospective increase in remuneration to Mr. Vimal Kedia, Mr. Surender Kedia, and prospective increase in remuneration to Mr. Jayesh Merchant on 18 February 2020. The shareholders' approval for the same was obtained after the end of the reporting period i.e. 8 April 2020. Hence, the provision for the increase in remuneration has been created as on 31 March 2020 as per Ind AS 10 - Events after the Reporting Period."

NOTE "50": It is the first year of consolidation of Parent Company and hence comparative figures of previous year are not provided.

NOTE "51": OPERATING SEGMENT

The Group is engaged in the manufacture and sale (both domestic & exports) of 'PET preforms, plastic containers & shrink film," which constitutes single business segment. The Chief Executive Officer, decision maker of the Group, evaluates the Group's performance and allocates resources on overall basis hence no segment reporting disclosures .

As per our report of even date

for and on behalf of the Board

for Singhvi, Dev & Unni LLP
Chartered Accountants
Firm Regn. No. 003867S/LLPIN : AAP-3305

Sanjay Kapote
Executive Director & CEO
DIN: 07529860

Vimal Kedia
Managing Director
DIN: 00072923

Manoj Nair
Partner
Membership No.: 049426
Place : Bengaluru
Date : 18 June 2020

Basant Kumar Mohata
Chief Financial Officer

Rasmi Ranjan Naik
Company Secretary

Place : Bengaluru
Date : 17 June 2020

(₹ in lakhs except stated otherwise)

NOTE NO. 1

NOTES AND OTHER EXPLANATORY INFORMATION FORMING PARTOF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

A. GROUP PROFILE AND BACKGROUND

The consolidated financial statements comprise financial statements of Manjushree Technopack Limited (the Parent Company) and its subsidiary (collectively, Manjushree Group or the Group) for the year ended 31 March 2020. The Parent Company is a public company domiciled in India and is incorporated under the provisions of theCompanies Act, 2013 applicable in India. The Parent Company has invested in its wholly owned subsidiary, MTL New Initiatives Private Limited on 1 January 2020.

Manjushree Group is principally engaged in providing packaging solutions, manufacturing and selling PET, Plastic Preforms and Containers. These products are sold in domestic markets and also exported. The Grouphas its production facilities spread across Karnataka, Himachal Pradesh, Uttarakhand, Haryana, Assam and

Dadra&Nagar Haveli. The registered office of the Company is in Bengaluru, Karnataka. During the current year, the Group acquired the business of National Plastics in Amritsar, Punjab, as a strategic buy out to extend their product range to dispenser pumps.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements are prepared under historical cost convention on a going concern and accrual basis in accordance with the provisions of the Companies Act, 2013, and comply with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from timeto time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliantSchedule III), as applicable to the consolidated financial statements. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 as well as guidance note issued by the Institute of Chartered Accountants of India.

.The consolidated financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

i. Financial instruments;

ii. Lease deposits;

iii. Lease obligations and Right of Use assets;

iv. Goodwill and Intangible assets acquired from National Plastics and Varahi;

v. Deferred consideration payable to National Plastics and Varahi; and

vi. ESOP liability.

The consolidated financial statements are presented inINR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

C. BASIS OF CONSOLIDATION

Manjushree Group consolidates with its subsidiary which it owns and controls. Control exists when the parent 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 those returns by using its power over the entity. Power is demonstrated through existing rights that give theability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. Subsidiary is wholly owned by Manjushree Technopack Limited. Shareholding of Parent Company in MTL New Initiatives includes one share held by Sanjay Kapote to meet statutory requirements and its beneficial ownership still lies with Parent Company.

The financial statements of the Group companies are consolidated on a line-by-line basis,and intra-group balances and transactions are eliminated upon consolidation.These financial statements are prepared by applying uniform accounting policies adoptedby the Group.

D. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Groupand are based on historical experience, various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

E. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

I) PROPERTY, PLANT AND EQUIPMENT

a) Land, both freehold and leasehold is carried at historical cost.

a) Land, both freehold and leasehold is carried at historical cost.

b) Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Items such as stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Costs in nature of repairs and maintenance, other than those resulting in enduring benefit and increases the economic life of the asset, are recognized in the Statement of Profit and Loss.

c) Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

d) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

II) INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the straight line method, in a manner similar to PPE.

III) CAPITAL WORK-IN-PROGRESS

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

IV) INTANGIBLE ASSETS

Intangible assets except goodwill are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets developed or acquired with finite useful life are amortized on straight line basis.Goodwill is not amortized but tested for impairment on annual basis.

Intangible assets consist of Patents, Trademark, Brand andCustomer Relationship Contracts which were acquired from Varahi and National Plastics.

V) DEPRECIATION AND AMORTISATION

Property, plant and equipment are depreciated over the useful life prescribed under Schedule II to the Companies Act, 2013 under straight line method on a proportionate basis depending upon the period of use. Those assets acquired/discarded during the year are depreciated on pro-rata basis.Depreciation is provided from the date of capitalization on a Straight Line Method (SLM) at the rate prescribed under Schedule II to the Companies Act, 2013 or the rates determined based on management's estimate of useful lives of assets based on technical evaluation of the useful lives of such assets which reflects the nature, size and operations of the Group.

Hitherto, the Parent Company, followed Written Down Value (WDV) method for depreciation till accounting year 31 March 2019. This change in depreciation from WDV to SLM is considered as change in accounting estimate as specified in the standard.

Intangible assets (Patents, Trademark, Brand and Customer Relationship Contracts) are amortised over their estimated useful life i.e. five years.

Computer software is amortized as per straight linemethod prescribed under Schedule II to the Companies Act, 2013.

VI) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent it is regarded as an adjustment to it.

Borrowing costs pertaining to financial assets and liabilities classified under amortised costs are amortized over the tenure of the borrowings using effective interest rate method.

A qualifying asset is an asset that necessarily requires a substantial period of time (presently, management considers 12 months as the time period for such qualifying assets) to get ready for its intended use or sale.

VII) VALUATION OF INVENTORIES

a) Raw materials, semi-finished goods, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

b) In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, first-in, first-out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

c) Cost of finished goods and semi-finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, taxes and duties as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

VIII) FOREIGN CURRENCY TRANSACTIONS AND DERIVATIVE INSTRUMENTS

1) Foreign currency transactions

a) Initial recognition - Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of foreign currency items at the Balance Sheet date - Foreign currency monetary assets and liabilities are restated at the closing exchange rates. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss except those long term foreign currency monetary liabilities which have been taken before 1 April 2019 for which the Group has exercised the option mentioned in Note (c) below.

c) The Parent Company has exercised its option pursuant to Notification GSR914 (E) dated 29 December 2011 issued by MCA for adjusting the exchange gain/loss to the cost of depreciable assets. In terms of notification GSR 913(E) dated 29 December 2011 the option is exercisable till the accounting period/s ending on or before 31 March 2020.

2) Derivative instruments

The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

IX) REVENUE RECOGNITION

a) Revenue from the sale of goods is recognized on satisfaction of performance obligation upon transfer of control of promised goods to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. The Grouprecognises revenue at fair value of consideration received or receivable excluding duties and tax collected from customers.

Effective 1 April 2018, the Parent Company has adoptedIndian Accounting Standard 115 (Ind AS 115) - 'Revenuefrom contracts with customers' using the cumulativecatch-uptransition method, applied to contracts thatwere not completed as on the transition date i.e. 1April 2018.

b) Dividend income is recognized when the right to receive is established.

c) Interest income is accrued on a time proportionate basis.

d) Income from sale of scrap is recognized upon dispatch.

e) Revenue from job work is recognized on completion of service under the contract.

f) Duty drawback and other export incentives are recognized on accrual basis on receiving the grant from Government.

g) Rental income is recognized based on contractual terms and conditions.

X) FINANCIAL INSTRUMENTS

1) Financial assets

a) Initial recognition

Financial assets are recognized when Manjushree becomes a party to the contractual provisions of the instruments. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through Profit or Loss. Financial assets carried at fair value through Profit or Loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b) Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI) or fair value through Profit or Loss on the basis of:

i) The Group's business model for managing the financial assets; and

ii) The contractual cash flow characteristics of the financial asset.

i) Measured at amortised cost

A financial asset is measured at amortised cost, if it is held under "the hold to collect business model" i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding.

Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

The losses arising from impairment of these assets are recognised in the Statement of Profit and Loss.

On derecognition of these assets, gain or loss, if any, is recognised to Statement of Profit and Loss.

ii) Measured at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI, if it is held under “the hold to collect and sell business model” i.e. held with an objective to collect contractual cash flows and selling such financial asset, and the contractual cash flows are solely payments of principal and interest on the principal outstanding.

It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method.

The losses arising from impairment of these assets are recognised in the Statement of Profit and Loss.

On derecognition of these assets, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

iii) Measured at fair value through profit or loss (FVTPL)

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVTOCI is measured at FVTPL. Such financial assets are measured at fair value and changes in fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss.

c) Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

As per Ind AS 109, for financial assets other than trade receivables, Manjushreerecognizes 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses, if the credit risk on financial asset increases significantly since its initial recognition. Manjushree’s trade receivables do not contain significant financing component, and loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e. expected cash shortfall.Manjushree makes 100% provision on receivable aging more than a year unless their recoverability is confirmed.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

d) De-recognition

Manjushreederecognises a financial asset when the contractual right to the cash flows from the financial asset expires, or it transfers the contractual rights to receive the cash flows from the asset.

2) Financial Liabilities

a) Initial Recognition and measurement

Financial liabilities are recognized when Manjushree becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

Manjushree’s financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

b) Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

c) Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method.

Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are de-recognized.

d) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

e) Offsetting of financial instruments

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

XI) FAIR VALUE MEASUREMENT

a) The Group measures financial instruments, such as, derivatives 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, assuming that market participants act in their economic best interest.

b) 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. Manjushree uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

c) Manjushree uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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

e) For the purpose of fair value disclosures, Manjushree 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.

XII) LEASE

a) Ind AS 116 on accounting for leases, (notified by Ministry of Corporate Affairs (MCA) from reporting period 1 April 2019), introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases which is not a short-term lease, unless the underlying asset is low value in nature. As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

b) Manjushree Group has adopted and applied Ind AS 116 to its leases prospectively. Accordingly, it has not restated comparative information. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

c) On transition, the Parent Company recognized a lease liability measured at the present value of the remaining lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the average of incremental borrowing rates. The Subsidiary Company since inception has adopted Ind AS 116 for all its leases.

d) The right-of-use asset is recognised at an amount equal to lease liability w.e.f. 1 April 2019. It is depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Parent Company has provided its premises under operating lease. The lease agreements generally have an escalation clause and are structured to increase necessarily in line with expected general inflation and hence operating lease receipts are recognised as revenue in the Statement of Profit and Loss on actual basis over the lease term.

XIII) EMPLOYEE BENEFITS

a) Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee provident fund scheme, etc. are charged as an expense under Ind AS 32 based on the amount of contribution required to be made as and when services are rendered by the employees. Manjushree's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Grouphas no further defined obligations beyond the monthly contributions.

b) Defined benefit plans

Manjushree also provides for retirement/post-retirement benefits in the form of gratuity, compensated absences and medical benefits to the employees.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities.The classification of the Manjushree's net obligation into current and non-current is as per the actuarial valuation report.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement ofchanges in equity and in the balance sheet.

c) Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance Sheet date determined based on an actuarial valuation.

Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

XIV) TAXES ON INCOME

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in Other Comprehensive Income.

a) Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

b) Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences and used tax losses only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For Deferred tax on Freehold land:

As per the clarification given by ITFG, if land is sold on slump sale basis, the tax base of the land would be the same as its carrying amount as indexation benefit is not available in case of slump sale under Income-tax Act, 1961. Therefore, there would be no temporary difference and consequently DTA would not be recognized.

Based on above clarification from ITFG, deferred tax on freehold land is not recognized by the Group because, end-use of such land is not determinable by the Group

c) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

XV) IMPAIRMENT OF ASSETS

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

XVI) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised if, as a result of a past event, Manjushree has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by Manjushree from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty.When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.A contingent asset is neither recognized nor disclosed in the financial statements.

XVII) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks and financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

XVIII) CASH FLOW STATEMENT

As per Ind AS 107 Statement of Cash Flow is reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

XIX) RESEARCH AND DEVELOPMENT EXPENSES

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable andManjushree has an intention and ability to complete and use or sell the product and the costs can be measured reliably. Such intangible assets are amortised over its useful life.

XX) EARNING PER SHARE (EPS)

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

XXI) BUSINESS COMBINATION

Business combination has been accounted by using the acquisition method under the provisions of Ind AS 103.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Groupincurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

XXII) EXCEPTIONAL ITEMS

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such materialitems are disclosed separately as exceptional items.

XXIII) ESOP ACCOUNTING

The company recognises compensation expense relating to share based payments in net profit using fair value in accordance with Ind AS 102. "Share based payment". The estimated fair value of awards is charged as expense on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance multiple awards with a corresponding increase to share outstanding account.

AUDITED STATEMENT OF PROFIT & LOSS ANALYSIS

(₹ in Lakhs)

ITEMS	31.03.20 (Ind As)	31.03.19 (Ind As)	31.03.18 (Ind As)	31.03.17 (Ind As)*	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
INCOME										
Gross Turnover	108050.24	114890.22	92,437.11	74,694.58	64,403.60	62,075.87	52,454.27	43,701.98	36,078.36	24,185.50
Less: Central Excise Duty	-	-	3,364.63	10,328.02	10,142.34	9,620.78	8,685.48	7,579.95	5,100.44	2,568.00
Net	**108,050.24**	**114,890.22**	**89,072.48**	**64,366.56**	**54,261.26**	**52,455.09**	**43,768.79**	**36,122.03**	**30,977.92**	**21,617.50**
Other Income	1686.91	548.65	179.03	353.31	576.73	351.03	655.14	284.11	171.74	60.84
Increase / (Decrease) in Stocks	2,959.36	(1,110.78)	1,252.22	3,245.17	(876.04)	(3,112.20)	5,952.38	1,220.40	(801.06)	1,473.58
Total	**112,696.51**	**114,328.09**	**90,503.73**	**67,965.04**	**53,961.95**	**49,693.92**	**50,376.31**	**37,626.54**	**30,348.60**	**23,151.92**
EXPENDITURE										
Raw Materials Consumed	63923.57	67349.72	49,985.35	35,310.87	28,000.91	29,111.58	31,866.94	22,987.65	18,930.84	11,911.38
Manufacturing Expenses	13,003.08	12796.31	10,499.39	7,663.12	6,129.38	3,823.55	4,117.45	3,022.68	2,331.25	4,345.48
Salary & Wages	7,823.93	6,751.50	5,826.87	3,888.01	2,699.53	3,188.56	2,590.01	1,721.05	1,401.40	1,121.31
Operating Cost	**84,750.58**	**86,897.53**	**66,311.61**	**46,862.00**	**36,829.82**	**36,123.69**	**38,574.40**	**27,731.38**	**22,663.49**	**17,378.17**
Administrative & Selling Expenses	7478.08	5579.61	4,037.90	2,498.78	2,144.61	1,905.99	1,399.01	1,716.33	1,419.48	954.76
Interest & Financial Charges	4242.8	4124.59	4,200.44	2,679.62	1,508.59	1,994.49	2,167.45	1,204.09	1,102.36	624.36
Depreciation & Write offs	6463.61	10062.35	10,753.27	8,112.48	4,762.28	4,725.47	4,303.74	3,193.49	1,968.73	1,934.39
Total Cost	**102,935.07**	**106,664.08**	**85,303.22**	**60,152.88**	**45,245.30**	**44,749.64**	**46,444.60**	**33,845.29**	**27,154.06**	**20,891.68**
NET PROFIT FOR THE YEAR	**9,761.44**	**7,664.01**	**5,200.51**	**7,812.16**	**8,716.65**	**4,944.28**	**3,931.71**	**3,781.25**	**3,194.54**	**2,260.24**
Exceptional Items	0	58.43	-	-	-	(6.01)	(2.09)	-	(161.49)	-
PROFIT BEFOR TAXATION	**9,761.44**	**7,605.58**	**5,200.51**	**7,812.16**	**8,716.65**	**4,938.26**	**3,929.62**	**3,781.25**	**3,033.05**	**2,260.24**
Provision for Taxation	1940.00	2872.07	2,350.30	2,101.82	2,844.45	1,982.97	1,314.35	877.96	731.35	780.00
Deferred Tax Provision	885.93	(200.20)	(778.72)	(101.24)	98.47	(510.15)	(23.34)	488.92	251.23	0.98
NET PROFT AFTER TAXATION	**6,935.51**	**4,933.71**	**3,628.93**	**5,811.58**	**5,773.73**	**3,465.43**	**2,638.61**	**2,414.32**	**2,050.44**	**1,479.26**
Less: Dividends & Tax thereon	-	1,175.95	-	-	326.11	161.52	160.61	157.45	157.46	157.98
Profits after Dividends	**6,935.51**	**3,757.76**	**3,628.93**	**5,811.58**	**5,447.62**	**3,303.94**	**2,478.00**	**2,256.92**	**1,893.01**	**1,321.28**
Surplus brought forward from PY	31,311.94	27,713.96	24,008.65	18,137.96	12,690.34	9,386.40	6,908.40	4,651.54	2,758.53	1,437.25
Ind As adjustment in Opening Reserves as on 01.04.2016*			-	59.11	-	-	-	-	-	-
Adjustment on restatement of PPE			76.38							
Transitional adjustment of IndAs 115	-	(159.78)								
Less: Transfer to General Reserve			-	-	-	-	-	-	-	-
NET SURPLUS CARRIED TO BS	**38,247.45**	**31,311.94**	**27,713.96**	**24,008.65**	**18,137.96**	**12,690.34**	**9,386.40**	**6,908.46**	**4,651.54**	**2,758.53**
PAT / Net Sales	0.06	0.04	0.04	0.09	0.11	0.07	0.06	0.07	0.07	0.07
PBT / Net Sales	0.09	0.07	0.06	0.12	0.16	0.09	0.09	0.10	0.10	0.10
PBDIT / Net Sales	0.19	0.19	0.23	0.29	0.28	0.22	0.24	0.23	0.20	0.22
Earnings per share (FV: Rs. 10)	36.42	36.42	27.14	42.94	42.62	25.58	19.48	17.82	15.14	10.92
Cash Accruals	13,399.12	13,820.11	14,382.20	13,924.06	10,536.10	8,196.94	6,944.44	5,607.86	4,180.69	3,413.65

AUDITED BALANCE SHEET ANALYSIS

(₹ in Lakhs)

ITEMS	31.03.20 (Ind As)	31.03.19 (Ind As)	31.03.18 (Ind As)	31.03.17 (Ind As)	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
SHAREHOLDERS' FUNDS										
Share Capital	1,371.86	1,371.86	1,371.86	1,371.86	1,371.86	1,354.77	1,354.77	1,354.77	1,354.77	1,354.77
Reserves & Surplus	44,510.58	35,347.23	31,672.89	28,043.96	22,173.27	16,742.74	13,438.80	10,960.78	8,703.91	6,810.93
Share Issue Expenses			-	-	-	-	-	-	-	(28.39)
Net Worth	**45,882.44**	**36,719.09**	**33,044.75**	**29,415.82**	**23,545.13**	**18,097.51**	**14,793.57**	**12,315.55**	**10,058.68**	**8,137.31**
DEFERRED TAX PROVISION	688.18	(197.76)	2.44	781.16	882.40	783.94	1,294.08	1,317.42	828.51	577.27
LOAN FUNDS										
Term Loans	15,682.11	15,555.91	21,867.25	22,460.26	11,168.26	8,579.64	10,211.61	9,994.51	4,766.85	4,056.20
Debt Component of CCD	1,488.23	-	-	-	-	-	-	-	-	-
Unsecured / Buyers Credit	1,587.37	2,661.54	3,961.91	4,913.63	1,059.15	4,778.28	5,451.07	4,254.41	4,127.47	3,515.52
Long Term Debt	**18,757.71**	**18,217.45**	**25,829.16**	**27,373.89**	**12,227.41**	**13,357.92**	**15,662.68**	**14,248.92**	**8,894.32**	**7,571.72**
Cash Credit Limit	25,010.72	21,173.97	13,174.36	15,290.12	6,177.87	6,540.36	11,749.90	8,132.51	4,192.30	3,119.29
Overall Debt	**43,768.43**	**39,391.42**	**39,003.52**	**42,664.01**	**18,405.28**	**19,898.28**	**27,412.58**	**22,381.43**	**13,086.62**	**10,691.01**
Lease Obligations	**1,726.88**									
TOTAL	**92,065.93**	**75,912.75**	**72,050.71**	**72,860.99**	**42,832.81**	**38,779.73**	**43,500.23**	**36,014.40**	**23,973.81**	**19,405.59**
APPLICATION OF FUNDS										
FIXED ASSETS										
Gross Block	110,957.06	91,595.33	87,431.23	81,128.25	50,300.29	40,556.96	37,355.44	34,429.34	22,983.73	15,710.87
Less : Depreciation to date	56,487.24	51,473.60	42,629.65	32,053.90	23,989.38	19,378.25	14,683.05	10,886.60	8,067.40	5,985.85
Capital Work-in-Progress	4,830.53	3,325.22	1,597.84	1,579.87	268.96	2,136.66	1,423.49	531.03	435.85	1,467.05
Net Block	**59,300.35**	**43,446.95**	**46,399.42**	**50,654.22**	**26,579.87**	**23,315.37**	**24,095.88**	**24,073.77**	**15,352.18**	**11,192.07**
INVESTMENT PROPERTIES	**2,439.31**	**2,495.23**				-	-	-	-	-
LONG TERM INVESTMENTS	**1.00**									
RIGHT OF USE ASSETS	**3,155.39**	-				-	-	-	-	-
CURRENT ASSETS, LOANS & ADVANCES										
Inventories	22,831.30	21,316.33	18,475.36	14,179.52	8,426.62	8,653.19	10,987.09	4,862.51	3,441.77	5,093.79
Sundry Debtors	18,720.95	24,082.58	20,443.23	17,171.21	10,365.68	8,692.66	7,886.48	6,556.01	4,575.68	3,274.41
Other Current Assets	13,545.25	7,695.09	5,538.16	5,851.88	4,099.09	7,103.38	7,378.53	7,057.59	4,750.00	2,798.48
Total	**55,097.50**	**53,094.00**	**44,456.75**	**37,202.61**	**22,891.39**	**24,449.23**	**26,252.10**	**18,476.11**	**12,767.45**	**11,166.68**
Current Liabillities & Provisions	27,927.62	23,123.43	18,805.46	14,995.84	6,638.45	8,984.87	6,847.75	6,535.48	4,145.82	2,953.16
Net Current Assets	**27,169.88**	**29,970.57**	**25,651.29**	**22,206.77**	**16,252.94**	**15,464.36**	**19,404.35**	**11,940.63**	**8,621.63**	**8,213.52**
TOTAL	**92,065.93**	**75,912.75**	**72,050.71**	**72,860.99**	**42,832.81**	**38,779.73**	**43,500.23**	**36,014.40**	**23,973.81**	**19,405.59**
Current Ratio	1.04	1.20	1.39	1.23	1.79	1.57	1.41	1.26	1.53	1.84
Long Term Debt / Net Worth	0.41	0.50	0.78	0.93	0.52	0.74	1.06	1.16	0.88	0.93
Overall Debt / Net Worth	1.56	1.70	1.75	1.96	1.06	1.60	2.32	2.35	1.71	1.68
Total Assets / Net Worth	2.49	2.63	2.75	2.99	2.10	2.64	3.40	3.45	2.80	2.75
Book Value Per Share (fv: Rs. 10)	338.67	271.04	243.91	217.13	173.79	133.58	109.20	90.91	74.25	60.06

MANJUSHREE TECHNOPACK LIMITED

CIN: U67120KA1987PLC032636
Registered & Corporate Office: "MBH Tech Park", 2nd Floor, Survey No. 46(P) and 47 (P),
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Telephone: 080-43436200
Email: info@manjushreeindia.com Web: www.manjushreeindia.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of Manjushree Technopack Limited will be held on Friday**, 25th day of September, 2020 at 12.30 P.M.** through Video Conference (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2020, together with Independent Auditor's Report and the Board's Report, there on.
2. To appoint Mrs. Shweta Jalan (DIN: 00291675), Director who retires by rotation and, being eligible, seeks re-appointment.
3. To appoint Mr. Vinod Padikkal (DIN: 07765484), Director who retires by rotation and, being eligible, seeks re-appointment.
4. Appointment of Statutory Auditor:

   To consider and if thought fit, to pass, the following as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, Messrs Deloitte Haskins & Sells , Chartered Accountants, 19th Floor, 46, Prestige Trade Towers, Palace Road, High Grounds, Bengaluru-560001 (Firm Registration No. 008072S) be and are hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this 33rd Annual General Meeting until the conclusion of 38th Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS:

5. **Increase in Borrowing Powers:**

   To consider and, if thought ût, to pass, the following resolution as Special Resolution:

   "RESOLVED THAT in supersession of the earlier resolution passed at the Extra Ordinary General Meeting held on 21st October 2019 and pursuant to Section 180(1)(c) of the Companies Act, 2013 or any amendment or modiûcation(s) thereof read with the Companies (Meetings of Board and its Powers) Rules, 2014, approval be and is hereby accorded to borrow and raise such sum or sums of money from time to time as may be required for the purposes of the business of the Company, not exceeding Rs. 900,00,00,000 (Rupees Nine Hundred Crores only) i.e. in excess of the aggregate of the Paid-up Capital and Free Reserve of the Company, excluding all temporary loans obtained by the Company from its bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company.

RESOLVED FURTHER THAT subject to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to hypothecate or mortgage and/or charge of all the immovable and movable assets of the Company where so ever situate, present and future, and the whole or part of the undertaking of the Company to, or in favour of, banks or other lenders, to secure the said borrowings up to an amount in the aggregate not exceeding Rs. 900,00,00,000 (Rupees Nine Hundred Crores only) together with interest, such other finance charges and all other moneys payable by the Company to the lenders as per the agreements entered into, by the Company with the banks or other lenders.

RESOLVED FURTHER THAT any Director, Chief Executive Officer, Chief Financial Ofûcer and the Company Secretary of the Company be and are hereby severally/jointly authorized to do all such things, acts, deeds and matters as may be considered necessary, usual, proper or expedient to give effect to the above resolution."

6. Ratification of Cost Auditor's Remuneration:

To consider and if thought fit, to pass, 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, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modiûcation(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of Rs. 1,00,000 (Rupees One lakh only) to Messrs G S & Associates, Cost Accountants, # 207, Bindu Galaxy, No. 2,1st Main, Chord Road, Industrial Town, Rajajinagar, Bengalruru-560044 (Registration Number 00301) the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial year ending 31 March, 2021, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For Manjushree Technopack Limited

Bangalore
24-07-2020

Rasmi Ranjan Naik
Company Secretary
FCS: 7599
[Address: 60 E & F, Bommasandra
Industrial Area, Hosur Road, Bangalore 560099]

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013 FOR CONDUCT OF SPECIAL BUSINESS

Item No. 5: To increase the borrowing limits of the Company:

The Members of the Company at their Extraordinary General Meeting held on 21st October ,2019 had passed a resolution authorizing the Board of Directors of the Company to borrow monies from time to time, up to Rs. 800,00,00,000 (Rupees Eight Hundred Crores only). Now the Company is planning to expand its business by organic and inorganic modes to scale up its capacity and expansion. Hence, it is considered necessary to increase the limits for borrowing of funds from Rs. 800,00,00,000 (Rupees Eight Hundred Crores only) to Rs 900,00,00,000 (Rupees Nine Hundred Crores only).

Accordingly, consent of the Members are sought for passing Special Resolution as set out in Item No.5 of the Notice for increase in borrowing power.

None of the Directors, Key Managerial Personnel or their respective relatives is/are interested or concerned, financially or otherwise in the resolution.

Your Directors recommended the resolution for approval of the Members by way of a Special Resolution.

Item No. 6: Ratification of remuneration of Cost Auditor:

The Board, on the recommendation of the Audit Committee, has approved the appointment of Messrs G S & Associates, Cost Accountants, # 207, Bindu Galaxy, No. 2,1st Main, Chord Road, Industrial Town, Rajajinagar, Bengalruru-560044 (Registration Number 00301) as Cost Auditor of the Company for the Financial Year ending on 31 March, 2021, to conduct audit of cost accounting records of the Company as may be required for Cost Audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration of Rs. 1,00,000 (Rupees One Lakh only), applicable taxes and out of pocket expenses, at actual. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratiûed by the Shareholders of the Company.

Accordingly, consent of the Members are sought for passing an Ordinary Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors.

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

Your Directors recommended the resolution for approval of the Members by way of an Ordinary Resolution.

NOTES:

1. The Register of Members and Share Transfer books of the Company shall remain closed from September 18, 2020 to September 25, 2020 (both days inclusive).

   Members holding Shares in electronic form are requested to intimate any change in address to their respective Depository Participants and those holding Shares in physical form are to intimate the above said changes to INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED, 30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore - 560 003, Tel: 080 23460815 / 818 Fax: 080-23460819, Email: irg@integratedindia.in.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

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

5. Members who have not registered their email address so far, are requested to register their email ID s for receiving all communications including Annual Report, Notices etc. from the Company electronically.
6. Annual Report for the financial year 2019-20 along with Notice of the 33rd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting is being sent only through electronic mode to the Members whose email IDs are registered with the Company/Depository Participant(s). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at www.manjushreeinida.com, and on the website of CDSL at www.evotingindia.com.
7. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote by electronic means through e-voting platform provided by CDSL. The detailed instructions for e-voting are annexed to this Notice.
8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By order of the Board of Directors
For Manjushree Technopack Limited

Bangalore
24-07-2020

Rasmi Ranjan Naik
Company Secretary
FCS: 7599
[Address: 60 E & F, Bommasandra
Industrial Area, Hosur Road, Bangalore 560099]

ELECTRONIC VOTING (E-VOTING) AND E-VOTING DURING AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/ through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.manjushreeindia.com The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Members are requested to intimate to the Company their queries, if any, regarding the accounts / report at least ten days before the date of ensuing Annual General Meeting to enable the management to keep the information readily available at the meeting.
9. Members are requested to quote the folio number in correspondence with the Company. Members who are holding Equity Shares in identical order of names in more than one folio are requested to write to the Registrar and Share Transfer Agents of the Company to enable the Company to consolidate their holdings in one folio.
10. All the requests for transfer of shares along with relevant Transfer Deeds and Share Certificates besides intimation of any change in their address or non receipt of dividend etc., may be sent by the members either to the Company

at its Registered Office or to the Registrar and Share Transfer Agents at the address given below:

INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED
30, Ramana Residency, 4th Cross, Sampige Road
Malleshwaram, Bangalore - 560 003.
Tel: 080 23460815 / 818 Fax: 080-23460819
Email: irg@integratedindia.in

11. The Company's existing Equity Shares are approved for dematerialization by NSDL and CDSL under ISIN: INE435H01015 and the members are requested to avail the DEMAT facility in respect of such shares through their respective DPs.
12. As per Section 124 of the Companies Act, 2013, the amount of Dividend remaining unpaid or unclaimed within 30 days from the date of declaration shall be transferred to 'unpaid dividend account' of the Company. Amount transferred to 'unpaid dividend account', which remains unpaid or unclaimed for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection Fund of the Central Government. Similarly, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Investor Education and Protection Fund.
13. In view of the above, Members, wishing to claim dividends, which remain unclaimed for the financial years 2012-2013 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Integrated Registry Management Services Private Limited 30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore - 560 003, Tel: 080 23460815 / 818 Fax: 080-23460819 Email: irg@integratedindia.in. Please note that as per Section 125 of the Companies Act, 2013, no claim shall lie against the Company, in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date of payment and no payment shall be made in respect of any such claims by the Company. Further, shares on which the dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF Suspense Account in accordance with the Section 124 of the Act, and the applicable Rules. The shares transferred to the IEPF Suspense Account can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
14. The Equity Shares of the Company have been delisted from Stock Exchange.

THE INSTRUCTIONS FOR SHARE HOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on September 22, 2020 at 9.00 a.m. and ends on September 24, 2020 till 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on cut-off date i.e. September 17, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders/ Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)· • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.· • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.· • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of Manjushree Technopack Limited to vote

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

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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

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

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

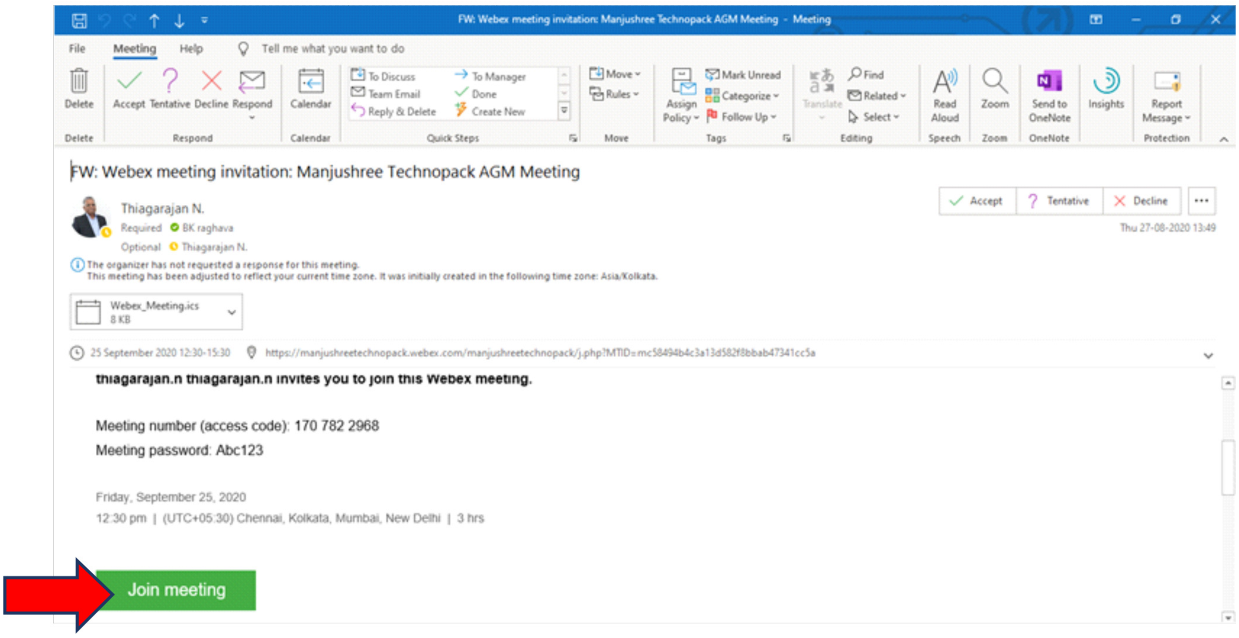
(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING AGM ARE AS UNDER:

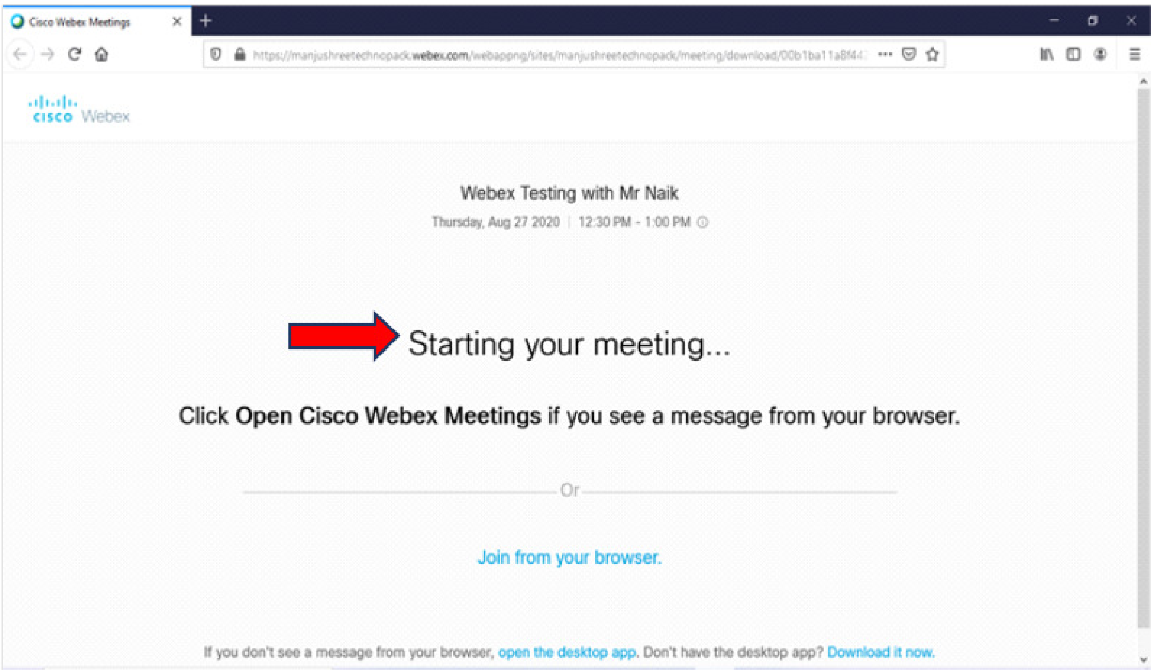
Step by Step to Join Manjushree Technopack AGM

1. Join a Meeting from an Email Invitation

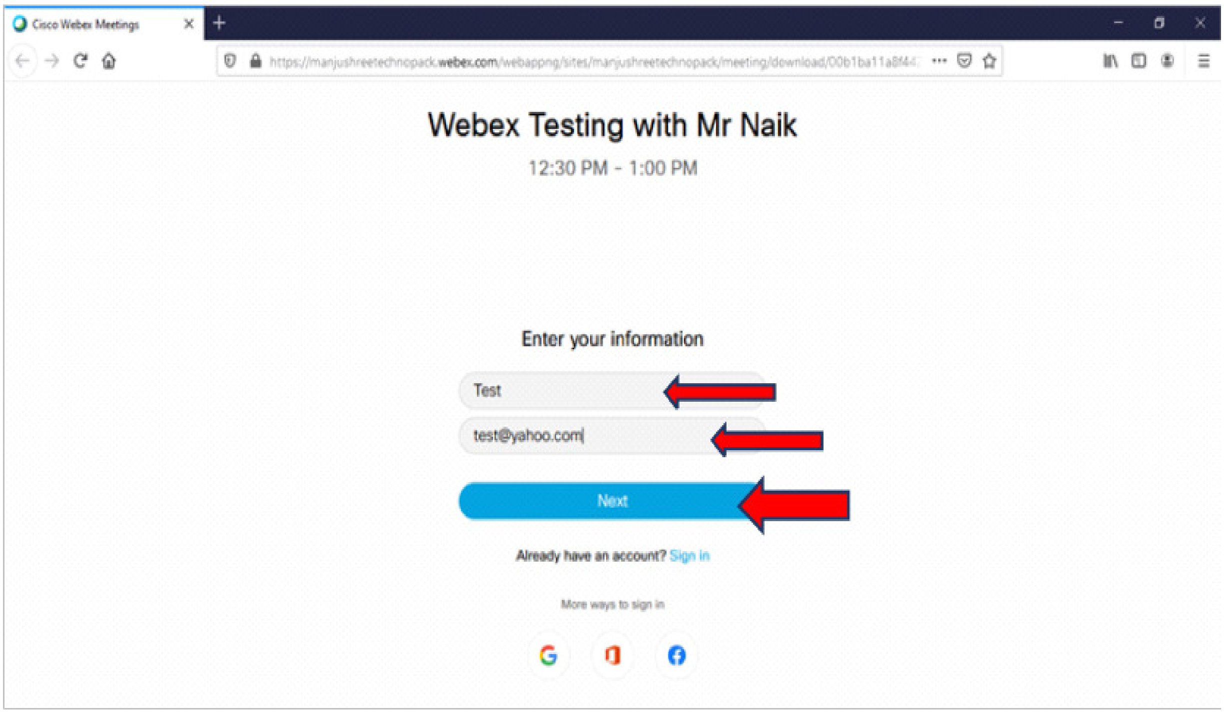
2. Double click onJoin meeting

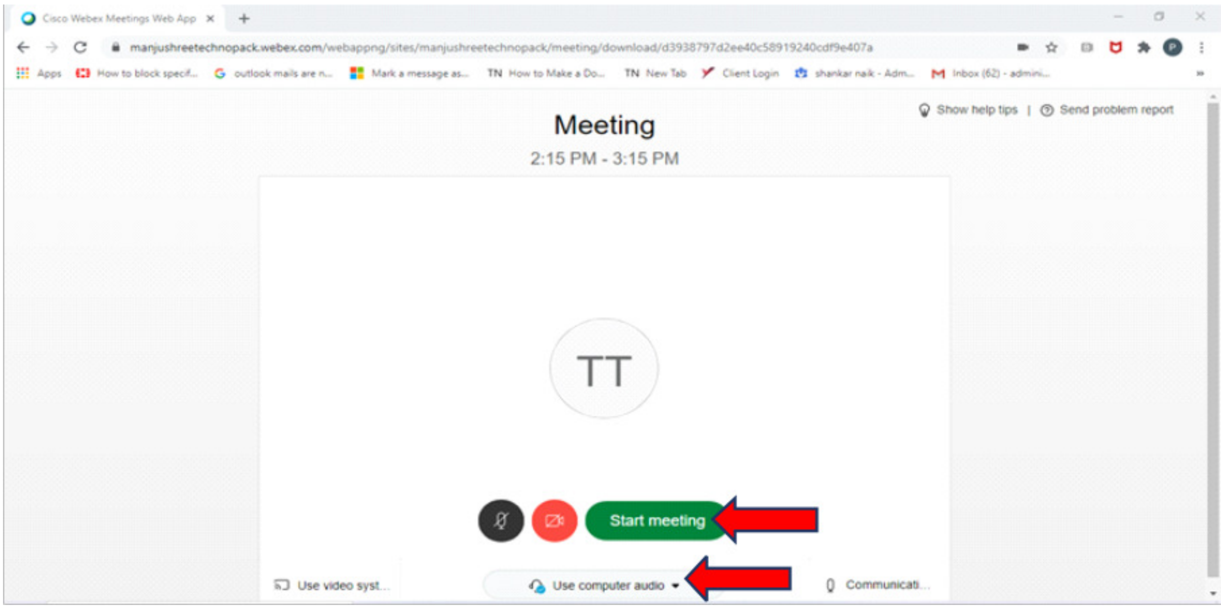


3. Click Join from your browser.



4. Enter your Full name and Email address and click Next





GENERAL INSTRUCTIONS:

a) Mr. Vijayakrishna K T, Practising Company Secretary (Membership No. FCS 1788 & CP 980) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

b) The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's Report will be communicated to CDSL and RTA and will also be displayed on the Company's website.

c) The voting rights of Shareholders shall be in proportion to their Shares of the Paid up Equity Share Capital of the Company as on September 17, 2020.

By order of the Board of Directors
For Manjushree Technopack Limited

Bangalore
24-07-2020

Rasmi Ranjan Naik
Company Secretary
FCS: 7599
[Address: 60 E & F, Bommasandra
Industrial Area, Hosur Road, Bangalore 560099]

MANJUSHREE TECHNOPACK LIMITED

CIN: U67120KA1987PLC032636
Registered & Corporate Office: "MBH Tech Park", 2nd Floor, Survey No. 46(P) and 47 (P), Begur Hobli,
Electronic City Phase-II, Bangalore 560100, Karnataka
Telephone: 080-43436200
Email: info@manjushreeindia.com Web: www.manjushreeindia.com

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA") has, by its circular dated 21st April, 2011 announced a "Green Initiative in the Corporate Governance "by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its Shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Board's Report, Auditors' Report, Postal Ballots etc., henceforth to all its esteemed Shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish your e-mail id, quoting your folio number/DPID/Client ID to our Registrar and Share Transfer Agent at the following address:

Integrated Registry Management Services Private Limited
No. 30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bangalore – 560 003
Phone: 080-23460815-18, Fax: 080-23460819,
E-mail: irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment. We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you,

Yours faithfully,

For Manjushree Technopack Limited

Rasmi Ranjan Naik
Company Secretary

Sustainability and Climate Change

The success of our business over the long term will depend on the social and environmental sustainability of our operations, the resilience of our supply chain and our ability to manage any potential climate change impacts. To address long-term sustainability challenges and understand potential impacts of climate change on our business, in both operational and financial terms, an exercise is in progress.

This exercise will inform the development of cross-functional action plans to help mitigate long-term risks and future-proof our business.

Link to Strategy

Our commitment to being an industry leader in responsible, sustainable packaging is embedded in our products and strategic pillars. This underpins and supports our strategic focus to establish ourselves firmly in packaging and deliver sustainable, long-term value.

Risk Tolerance

We have a zero tolerance for risk when protecting the human and environmental resources we depend on. However, given the long-term nature of some sustainability risks and the significant level of uncertainty associated with their occurrence and potential impact, we accept that some risks are inevitable.

Action taken by Management

Our Chief People, Strategy and Corporate Affairs Officer is responsible for ethical trading, community investment and environmental sustainability matters and regularly reports on these topics to the Management Risk Committee and the Board.

- A new strategy was launched in June 2019, setting ambitious five-year goals: to drive positive change through all products, to achieve environmental excellence, to revalue waste, and to explore the opportunity of renewable energy by 2023.
- Our new strategy takes us beyond compliance to enhance employeeswellbeing and ensure product safety.
- Our Energy & Water Reduction Program continues to drive resource efficiency in our direct and indirect operations, while our new strategy includes a commitment to switch to 30% renewable energy by 2023.

Business Interruption

A major incident at one of the Manjushree Technopack Ltd (MTL's) main locations, at its suppliers or affecting key products, which significantly interrupts the business. This could be caused by a wide range of events including natural catastrophe, fire, terrorism, or quality control failures.

Link to Strategy

Our Product and Distribution strategies enable us to operate effectively and efficiently, delivering Operational Excellence through continuity of supply of compliant products and services of the highest quality to our customers. Ensuring our ability to continually operate key sites and factories to develop, manufacture, distribute and sell our products is a key strategic priority.

Risk Tolerance

We have a low tolerance for risk in this area, particularly in respect of product safety and quality.

Actions Taken by Management

We have policies and procedures designed to ensure the health and safety of our employees and products and to deal with major incidents, including business continuity and disaster recovery.

- MTL continues to evolve its supply chain organisational design to develop its manufacturing base, reducing dependence on key sites and vendors.
- MTL Incident Management Program is in place to ensure that incidents are reported, investigatedand managed effectively. Across MTL our Incident Management Teams took part in training and incident Management exercise.
- Our product suppliers and vendors are subject to a quality control program which includes regular site inspections and independent product testing.
- Robust security arrangements are in place across our Plants to protect people and products in case of security incidents.
- Full business continuity plans are in place for our Operation Facilities and Offices. Business continuity plans have been established and tested.
- MTL's key IT systems are protected to prevent and minimize any potential interruption. This includes resilient design and the provision of disaster recovery services to continue operating within pre-agreed times in case of a major incident.
- Management regularly review and manage business continuity and disaster recovery risks recognising that these plans cannot always ensure the uninterrupted operation of the business, particularly in the short term.
- A comprehensive insurance program is in place to offset the financial consequences of insured events, including fire, flood, natural catastrophes, etc.

Regulatory Risk & Environmental Standards

MTL operations are subject to a broad spectrum of Central and regional laws and regulations in the various jurisdictions in which we operate. These include product safety, employee and customer health & safety, data, corporate governance, employment and tax. Changes to laws and regulations or a major compliance breach could have a material impact on the business.

Link to Strategy

Compliance with applicable laws and regulations and doing the right thing underlie all our strategic pillars.

Risk Tolerance

In complying with laws and regulations, including customer, employee safety and bribery and corruption, we have a zero tolerance for risk.

Actions Taken by Management

- We have an established framework of policies that aim to drive best practice across our direct and indirect operations, including Environmental, Health, Safety and Sustainability Policy.
- Policies are available at www.manjushreeindia.com, are owned by senior leadership, issued to all stake holders and implementation monitored on a regular basis.
- We have established a Compliance Commitee to oversee compliance with applicable legislation
- Our culture and policies encourage employees to speak up and report any issues without fear of retribution. A confidential employee helpline is in place in substantially all places where we have our operations and offices

Environmental& Sustainability Initiatives

We have continued our efforts to improve environment management, reduce energy and water consumption and increase the use of renewable energy in our direct and indirect operation. supply chain.

We work closely with our partners to improve Environment Management practices and support research into new technologies, while taking steps to minimize use of natural resources.

We have continued to evolve our Energy & Water Reduction program,

1. Water Conservation:- MTL has initiated Rain Water Harvesting projects at Baddi, Bidadi and Bommasandra Units, by which rainfall is gathered and used for recharge purposes. The process involves collection and storage of rainwater with help of artificially designed systems, that runs off natural or man-made catchment areas e.g. rooftop, or artificially repaired impervious/semi-pervious land surface. The collected rainwater from surfaces on which rain falls may filtered, and directly used forrecharge purposes.

   With depleting groundwater levels and fluctuating climate conditions, this measure can go a long way to help mitigate the adverse effects rising water scarcity. Reserving rainwater can help recharge local aquifers, reduce urban flooding and most notably, ensure water availability in water-scarce zones.During the year 2020-21, Rain Water Harvesting Projects at Pantnagar, Guwahati, Silvassa and Amritsar unit will be initiated.

2. Energy:-In the year 2019 MTL initiated Roof Top Solar Power Harnessing Project at our Bidadi Unit, which is fully active now. Our plants at Bangalore are powered by Solar Power by almost 50%. Our total requirement of Power requirement 6.5 Core units against supply of 3.40 Crore units through solar power. MTL has also initiated purchase of Solar power in agreement with Cleanmax.

3. Waste Reduction: - MTL has initiated reduction and recycling of Process waste by providing equipment for segregation and grinding.

4. Post Consumed Plastic Waste RecoveryPlant:- As a part MTL Strategy towards Environment excellence and Swatch Bharat Mission, MTL has installed recycling plant of ~4500 T/Annum at Bidadi for treatment and recycling of Post Consumed Plastic Waste. Post Consumed Plastic Waste(HDPE, PP) collected by engaging NGO’s, and Waste Management Companies, will be treated and recycled at our plant.