

33rd | Annual Report 2021-2022



CARE FOR THE NATURE. SAVE THE FUTURE.



'A part of your daily life'

UFLEX LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

ASHOK CHATURVEDI
Chairman & Managing Director

INDU LIBERHAN

PARESH NATH SHARMA (w.e.f. 11th February, 2022)

ACHINTYA KARATI (upto 31st March, 2022)

ARVIND MAHAJAN (upto 2nd August, 2021)

TARA SANKAR BHATTACHARYA

ALOK SABHARWAL

PRADEEP NARENDRA PODDAR

JAGMOHAN MONGIA
Whole-time Director

SR. VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

AJAY KRISHNA

AUDITORS'

Statutory Auditors

M/s KAAP & Associates
 89, Lower Ground Floor,
 Gujarat Vihar, Delhi – 110092

M/s MSKA & Associates
 Office No. 1501 - 1508,
 The Palm Springs Plaza,
 Sector 54, Golf Course Road,
 Gurgaon, Haryana, 122001

Cost Auditors

M/s Jitender, Navneet & Co.
 Cost Accountants
 2-D, OCS Apartments,
 Mayur Vihar Phase-I,
 Delhi - 110 091

Secretarial Auditors

M/s Mahesh Gupta & Co.
 110, Wadhwa Complex
 D 288/10, Laxmi Nagar,
 Delhi-110 092

REGISTERED OFFICE

305, Third Floor, Bhanot Corner,
 Pamposh Enclave, Greater Kailash - I,
 New Delhi -110 048
 Ph. Nos. : 91-11-26440917, 91-11-26440925
 Fax No. : 91-11-26216922
 E-mail : secretarial@uflexltd.com

CORPORATE OFFICE

A - 107-108, Sector - IV,
 NOIDA-201 301 (U.P.)
 Phone No. : 91-120-4012345

SUBSIDIARY/JV COMPANIES

UFlex Packaging Inc., USA
 Flex Films (USA) Inc., Kentucky, USA
 UFlex Europe Limited, UK
 Flex Middle East FZE, UAE
 Flex P. Films (Egypt) S.A.E., Egypt
 Flex Films Europa Sp.zo.o., Poland
 UPET Holdings Ltd., Mauritius
 UPET (Singapore) Pte. Ltd., Singapore
 Flex Americas S.A. de C.V., Mexico
 Flex Films Africa Private Limited, Nigeria
 LLC Flex Chemicals Private Limited, Russia
 Flex Films Rus, LLC, Russia
 Flex Films Europa Korlatolt Feleossegu Tarsasag,
 Hungary
 Flex Specialty Chemicals Egypt, Egypt
 (w.e.f. 9th March, 2022)
 Flex Foils Bangladesh Private Limited, Bangladesh
 (w.e.f. 13th July, 2021)
 USC Holograms Pvt. Ltd., India
 Digicyl Pte. Ltd, Singapore
 Digicyl Limited, Israel

BANKERS

UFLEX Ltd., India - Bankers
 Canara Bank
 Punjab National Bank
 State Bank of India
 Bank of India
 Indian Bank
 The Jammu & Kashmir Bank Ltd.
 Union Bank of India
 UCO Bank
 The South Indian Bank Ltd.
 CTBC Bank Co. Ltd.
 Woori Bank
 Qatar National Bank (Q.P.S.C)
 Indian Overseas Bank
 Kotak Mahindra Bank
 Bank of Bahrain & Kuwait
 Bank of Maharashtra
 KB Kokmin Bank
 Punjab & Sind Bank
 RBL Bank
 OLB Bank, Germany

Flex Middle East FZE, Dubai - Bankers

Commercial Bank of Dubai, Dubai
 Habib Bank AG Zurich, Dubai

Flex Americas S.A. de C.V., Mexico - Bankers

BBVA Bancomer, Mexico

Flex P. Films (Egypt) S.A.E., Egypt - Bankers

QNB Alahli, Egypt
 ADIB, Egypt
 Banque Misr, Egypt
 Commercial International Bank, Egypt
 Emirates NBD, Egypt

Flex Films Europa Sp.zo.o. Poland - Bankers

PKO Bank, Polski Poznan

Flex Films (USA) Inc., Kentucky, USA - Bankers

JP Morgan Chase Bank N.A., USA

Flex Films Europa Korlátolt Felelősségű Társaság, Hungary - Bankers

PKO Bank Polski, Poznan, Poland

Flex Film Rus LLC Russia - Bankers

Unicredit Bank, Prechistsenskaya EMB, Moscow

Flex Films Africa Private Limited, Nigeria - Bankers

OLB Bank, Germany
 First Bank of Nigeria, Lagos, Nigeria
 Union Bank, Lagos, Nigeria

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services
 Pvt. Ltd.
 Beetal House, 3rd Floor,
 99, Madangir, Behind Local
 Shopping Centre
 Near Dada Harsukh Dass Mandir
 New Delhi - 110062
 Phone No. : 011-29961281-83
 Fax No. : 011 - 29961284
 E-mail : beetal@beetalfinancial.com

WORKS

India

A-1, Sector-60, NOIDA (U.P.)
 A-2, A2A, Sector-60, NOIDA (U.P.)
 C-3-4, 5-8, 17-18, Sector 57, NOIDA (UP)
 C-175, Sector – 10, NOIDA (U.P.)
 D-1-2, 15-16, Sector - 59, NOIDA
 Unit-I, Lane No. 3, Phase-I,
 SIDCO Industrial Complex,
 Bari Brahmna, Jammu
 Unit-II, Lane No. 2, Phase-I,
 SIDCO Industrial Complex,
 Bari Brahmna, Jammu
 Unit-III, Lane No. 3, Phase-I,
 SIDCO Industrial Complex,
 Bari Brahmna, Jammu
 SM8 + SM10, Sanand, Gujarat
 Plot No. 20, Mummigati Industrial Area, Dharwad,
 Karnataka

Dubai

P.O. Box No. 17930, Near Round
 Jebel Ali Free Zone Area, Dubai
 United Arab Emirates

Mexico

Boulevard De Los Rios
 #5680 Zona Puerto Industrial,
 C.P. 89603 Altamira,
 Tamaulipas, Mexico

Egypt

R 2 Plot No. 3, Engineering Square,
 North Extension of Industrial Zones,
 6th of October City,
 Arab Republic of Egypt

Poland

62-300 Wrzesnia, ul. Gen. Wladyslawa
 Sikorskiego 48, Poland

USA

1221, North Black Branch Road,
 Elizabethtown, KY 42701

Hungary

Flex Films Europa Kft.,
 2651 Rétság,
 IPARI PARK - 7, Hungary

Russia

Shmatovo village, Industrialnaya Str.,
 Estate 4, building 1,
 Stupino, Moscow region,
 Russian Federation

Nigeria

Plan No. IJC 354(OG), Within 1 Km Corridor
 Acquisition, Along Lagos/Ibadan Expressway, Ogere,
 Ikenne, Local Government Area, Ogun State, Nigeria

OTHER PROMINENT OFFICES

Mumbai

Unit No. 402, IVth Floor,
 Naman Center, Block-G,
 Bandra Kurla Complex,
 Plot No. C-31, Bandra,
 Mumbai-400051

Kolkata

A-16, FMC Fortuna,
 234/3A (2nd Floor),
 Acharya Jagdish Chandra Bose Road,
 Kolkata - 700 020

Bengaluru

443, 2nd Floor, 7th Block,
 Koramangala, Bengaluru - 560 095

DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure of presenting 33rd Annual Report together with the Standalone & Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022.

FINANCIAL RESULTS

The summarized financial results for the year ended 31st March, 2022 and for the previous year ended 31st March, 2021 are as follows:

[Rs. in Crores]

	Consolidated Year Ended		Standalone Year Ended	
	2022	2021	2022	2021
Revenue from Operations	13127.13	8888.90	5673.78	4633.35
Other Income	108.98	24.66	46.81	22.05
Share in Profit of Associates for the Year	4.30	5.66	--	--
Share in (Loss) of Joint Venture for the Year	-3.62	-4.35	--	--
Total Income	13236.79	8914.87	5720.59	4655.41
Profit before Finance Cost, Depreciation & Tax	2279.99	1826.99	679.66	766.03
Finance Cost	322.46	229.07	155.03	152.28
Depreciation	537.12	455.73	253.21	259.65
Profit before Tax	1382.30	1142.19	271.42	354.10
Less: Tax Expenses	282.88	298.51	49.09	123.65
Profit for the year before Minority Interest	1099.42	843.68	222.33	230.45
Non-Controlling Interest	-1.17	-0.78	--	--
Profit for the year	1098.26	842.90	222.33	230.45
Total Other Comprehensive Income for the Year	57.85	30.28	1.53	0.75
Total Comprehensive Income for the Year	1156.11	873.18	223.86	231.20

During the year under review, your Company has achieved consolidated total income and net profit of Rs. 13236.79 crore and Rs.1098.26 crore respectively as against total income and net profit of Rs. 8914.87 crore and Rs. 842.90 crore respectively during the previous financial year ended 31st March, 2021.

Further, your Company has achieved standalone total income of Rs. 5720.59 Crore and net profit of Rs. 222.33 crore as against total income of Rs. 4655.41 and net profit of Rs. 230.44 crore during the previous financial year ended 31st March, 2021.

The Details of financial performance of all subsidiaries and associates are contained in Note No. 53 of the Notes to Accounts to the Consolidated Financial Statements.

The outbreak of coronavirus disease 2019 (COVID-19) has created an unprecedented global health crisis that has a deep impact on the businesses and economy. The Company operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Company's business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging, all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While the Company did face initial administrative and supply chain challenges in some countries during initial lockdown period, but there was no impact on its overall production and sales volumes during the year. While the Company believes that its business will continue to remain unscathed by the pandemic; however there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

TRANSFER OF UNCLAIMED DIVIDEND TO AUTHORITY

An amount of Rs.15,64,975/- (Rupees Fifteen Lacs Sixty Four Thousand Nine Hundred Seventy Five Only) was transferred to Investor Education and Protection Fund (IEPF) during the year under review.

TRANSFER OF UNCLAIMED SHARES TO AUTHORITY

As per the Provision of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Company has transferred 22,980 (Twenty Two Thousand Nine Hundred Eighty) Equity Shares on which Dividend was not paid/claimed for more than seven years, to the Investor Education and Protection Fund (IEPF) during the year under review.

DIVIDEND

Your Directors are pleased to recommend a dividend @ Rs.3.00 per share for the financial year ended 31st March 2022 after considering future needs of the company for growth.

CIN: L74899DL1988PLC032166

The dividend, if approved at the forthcoming Annual General Meeting will be paid to Members whose names appear in the Register of Members as on **Friday, 19th August, 2022**. In respect of shares held in dematerialized form, it will be paid to those Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company.

SHARE CAPITAL

The paid-up equity share capital outstanding as on 31st March, 2022 was Rs. 72.21 Crore. During the year under review, the Company has neither issued Shares with Differential Voting Rights nor granted Stock Options nor Sweat Equity.

As on 31st March, 2022 none of the Directors of the Company held any Equity Shares except Shri Ashok Chaturvedi, Chairman & Managing Director and Shri Jagmohan Mongia, Whole-time Director, who held 5,02,533 (Five Lac Two Thousand Five Hundred Thirty Three) & 1 (one) Equity Shares respectively of the Company.

FIXED DEPOSITS

The company neither had any fixed deposits outstanding as on 31st March 2022 nor fresh/renewal of deposits were accepted during the financial year 2021-2022. There were no unclaimed deposits as on 31st March, 2022.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, Shri Arvind Mahajan (DIN: 02410540) & Shri Achintya Karati (DIN: :00024412) ceased to be the Independent Director(s) of the Company w.e.f. close of business hours of 2nd August, 2021 & w.e.f. close of business hours of 31st March, 2022 respectively. The Board of Directors placed on record their appreciations for the valuable contribution made by Shri Arvind Mahajan (DIN: 02410540) & Shri Achintya Karati (DIN: 00024412) as the Director of the Company.

Further, Shri Paresh Nath Sharma (DIN : 00023625) has been appointed as an Additional Director (Independent) of the Company w.e.f. 11th February, 2022. The said appointment was approved by the Members of the

Company through Postal Ballot on 24th March, 2022. Your Directors welcome Shri Paresh Nath Sharma (DIN: 00023625) on the Board of the Company.

All Independent Directors of your Company have given declarations confirming that they meet the criteria of Independence as prescribed both under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of representations received from the Executives of the Company, subject to disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory Auditors/Internal Auditors of the Company from time to time, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that the Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the Profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

The Company's Internal Auditors conducted periodic audits to provide reasonable assurance that the Company's established policies and procedures are followed. The Audit Committee constituted by the Board reviewed the internal controls and financial reporting issues with Internal Auditors and Statutory Auditors.

STATUTORY AUDIT & AUDITORS

During the year, M/s. M S K A & Associates, Chartered Accountants (Firm Registration Number – 105047W), was appointed as the Joint Statutory Auditor of the Company to hold office for a term of Five (5) years from the conclusion of the 32nd Annual General Meeting until the conclusion of 37th Annual General Meeting. M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N), the other Joint Statutory Auditor of the Company continues as the Joint Statutory Auditors of the Company as appointed for a term of five consecutive years from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company pursuant to Section 139 of the Companies Act, 2013. As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N), Delhi as the Statutory Auditors of the Company expires at the conclusion of the ensuing Annual General Meeting of the Company. Therefore, subject to approval of Shareholders, the Audit Committee and the Board of Directors during their respective meetings held on 28th May, 2022 have considered and recommended the appointment of M/s. Vijay Sehgal & Co., Chartered Accountants, Delhi (Firm Registration No.000374N) as Joint Statutory Auditors of the Company, to hold office from the conclusion of the 33rd Annual General Meeting until the conclusion of the 38th Annual General Meeting of the Company to be held in year 2027.

The Report given by M/s. M S K A & Associates, Chartered Accountants (Firm Registration Number – 105047W) & M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N), Statutory Auditor(s) on the financial statement of the Company for the year 2021-22 is part of the Annual Report. There is no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under section 143(12) of the Act, therefore, no details are required to be disclosed in the Board Report.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the Financial Year ended 31st March, 2022 are self-explanatory and therefore, do not call for any further comments.

COST AUDITORS

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records maintained every year.

The Board of Directors of your Company has re-appointed M/s. Jitender, Navneet & Co., Delhi, Cost Accountants (Firm Registration No.00119) as Cost Auditors of the Company for the financial year 2022-2023.

SECRETARIAL AUDITORS

The Board has re-appointed M/s Mahesh Gupta & Co., Practicing Company Secretaries, Delhi as Secretarial Auditor for Financial Year 2022-23 pursuant to the provisions of Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditor is annexed to the Report as per **ANNEXURE – 'A'**.

SUBSIDIARY COMPANIES

Flex Middle East FZE, UAE, UFlex Europe Limited, UK, UFlex Packaging Inc., USA, UPET Holdings Limited, Mauritius, LLC Flex Chemicals Private Limited, Russia, and USC Holograms Pvt. Ltd., India are Subsidiary Companies u/s 2(87) of the Companies Act, 2013.

Further, Flex Americas S.A. De C.V., Mexico, Flex P. Films (Egypt) S.A.E, Arab Republic of Egypt, Flex Films (USA) Inc., USA, Flex Films Europa Sp. Zo.o., Poland, UPET (Singapore) Pte. Limited, Singapore, Flex Films Africa Private Limited, Nigeria, Flex Films Rus, LLC, Russia, Flex Specialty Chemicals Egypt, Egypt (*w.e.f. 9th March, 2022*), Flex Foils Bangladesh Private Limited, Bangladesh (*w.e.f. 13th July, 2021*) and Flex Films Europa Korlatolt Feleossegu Tarsasag, Hungary are step-down subsidiaries of the Company. Digicyl Pte. Limited, Singapore and Digicyl Limited, Israel are JV of the Company.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company, who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies & Associate Companies.

CIN: L74899DL1988PLC032166

Financial position of each of the Subsidiaries is provided in a separate statement attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given at note No. 53 of the Consolidated Financial Statements in Form AOC-1 and thus forms an integral part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of Companies Act, 2013, your Company has a Corporate Social Responsibility (CSR) Committee, which comprises Smt. Indu Liberhan (DIN: 03341420), Chairperson; Shri Jagmohan Mongia (DIN: 09051022) Member and Shri Paresh Nath Sharma (DIN : 00023625), Member (w.e.f. 11th February, 2022). Shri Achintya Karati (DIN: 00024412), Member of the Corporate Social Responsibility (CSR) Committee, ceased to be Member w.e.f. closing of business hours of 31st March, 2022. The terms of reference of the Corporate Social Responsibility (CSR) Committee is provided in the Corporate Governance Report. Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at <https://www.uflexltd.com/pdf/Policies/Uflex-CSR-Policy.pdf>.

Annual report on CSR activities and initiatives taken as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **ANNEXURE –‘B’** and forms integral part of this Report.

The Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of the society and environment. During the Financial Year 2021-2022, the Company was to undertake CSR Activities of an amount of Rs.391.51 Lacs after setting off excess amount of Rs.5.24 Lacs spent in previous year. However, the Company spent an amount of Rs.35.12 Lacs during the year and an amount of Rs.356.39 Lacs was transferred to CSR unspent account with Schedule Bank within 30 days from the closure of financial year as per provisions

of section 135(6) of the Companies Act, 2013 for meeting CSR activities for ongoing projects.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

A separate Report on Corporate Governance along with Report on Management Discussion and Analysis is enclosed as part of this Report as **ANNEXURE - ‘C’ & ‘D’** and forms an Integral Part of this Report.

DISCLOSURE UNDER COMPANIES ACT, 2013

(i) Annual Return

The Draft Annual Return of the Company as on 31st March, 2022 is available on the Company's website and can be accessed at <https://www.uflexltd.com/pdf/Extract-Annual-Return/UFLEX-Annual-Return-2021-2022.pdf>.

(ii) Meetings

During the year, Five Board Meetings and Five Audit Committee Meetings were convened and held. The details of which are given in Corporate Governance Report appended hereto.

(iii) Composition of Audit Committee

The Board has constituted an Audit Committee, which comprises Smt. Indu Liberhan (DIN:03341420) as the Chairperson and Shri Achintya Karati (DIN: 00024412) (upto 31st March, 2022); Shri Tara Sankar Bhattacharya (DIN: 00157305), Shri Pradeep Narendra Poddar (DIN: 00025199), Shri Jagmohan Mongia (DIN: 09051022) and Shri Paresh Nath Sharma (DIN : 00023625) (w.e.f. 11th February, 2022) as the Members. More details about the Committee are given in the Corporate Governance Report appended hereto.

(iv) Related Party Transactions

All related party transactions are negotiated on an arm's-length basis and are in ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 are not applicable. However, suitable disclosure has been made in the notes to the Financial Statements.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website: [www.uflexltd.com](https://www.uflexltd.com/pdf/Policies/Uflex-RELATED-PARTY-TRANSACTIONS-POLICY.pdf) at the web-link <https://www.uflexltd.com/pdf/Policies/Uflex-RELATED-PARTY-TRANSACTIONS-POLICY.pdf>.

(v) Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments are given in the accompanying Financial Statements.

- (vi) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- (vii) There was no instance of one time settlement with any Bank or Financial Institution.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by any Regulator or Court, which would impact the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS

A detailed note has been provided under Management Discussion and Analysis Report appended hereto.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Fraud-free and corruption-free work culture has been at the core of the Company's functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address this risk.

To meet this objective, a Whistle Blower Policy has been laid down. The same policy as approved by the Board is uploaded on the Company's website www.uflexltd.com at web-link <https://www.uflexltd.com/pdf/Policies/Uflex-Whistle-Blower-Policy.pdf>.

BOARD EVALUATION

Pursuant to the Provisions of the Companies Act, 2013 and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board has carried out an Annual Performance Evaluation of its own performance and that of its Committees and all the Directors individually.

The evaluation of Non-Independent Directors, Chairman and the Board as a whole was done at a separate meeting by the Independent Directors.

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. No complaints were received from any employee during

the financial year 2021-2022 and hence no complaint is outstanding as on 31st March, 2022 for redressal.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no material change and commitments occurred, between the end of the financial year of the Company i.e. 31st March, 2022 and the date of this report affecting financial position of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

RISK MANAGEMENT

Risk Management is a very important part of any business. The Board of Directors of the Company has constituted a Risk Management Committee to proper implementation and monitoring the Risk Management Plan of the Company. The Committee is responsible for monitoring and reviewing the Risk Management Plan. Its Composition and Terms of reference are mentioned in the Corporate Governance Report and a detailed note has been provided under the Management Discussion and Analysis Report, which forms integral part of this report.

POLICY ON REMUNERATION

The Company has in place Nomination and Remuneration Policy for Directors, Key Management Personnel and Senior Management Personnel. The said Policy is available at www.uflexltd.com (weblink <https://www.uflexltd.com/pdf/Policies/Uflex-Nomination-Remuneration-Policy.pdf>).

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

CIN: L74899DL1988PLC032166

Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **ANNEXURE - 'E'**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed as **ANNEXURE - 'F'**.

BUSINESS RESPONSIBILITY REPORT

UFLEX's approach to business is Creating Shared Value as used by your Company and it is about the impact of the business and engagement through it. Your Company is mindful of the needs of the communities and works to make a positive difference and create maximum value for the society. It has been conducting business in a way that delivers long-term shareholder value and benefits society. As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached in the format prescribed as **ANNEXURE - 'G'** and forms integral part of the Annual Report.

DIVIDEND DISTRIBUTION POLICY

The Company's Dividend Distribution Policy, approved by the Board, may be accessed on its corporate website at https://www.uflexltd.com/pdf/Policies/UFLEX_Dividend_Distribution_Policy.pdf.

AWARDS

Details of Awards and Accolades conferred by reputable organizations/ bodies based out of India and Overseas for excellence received by your Company & its subsidiaries are mentioned in Management and Discussion and Analysis section of the Annual Report and some of these awards & accolades includes:

- Food compliant water-based ink FLEXAQUAPAP for food wraps outshines at WorldStar 2022 awards for its ability to meet business and sustainability goals.

- AIMCAL 2021 'Sustainability of the Year Award' to BOPET blister pack film F-ISB-M; and 'Product of the Year Award' to Zipper re-closable handled non-woven bag with block bottom for bulk rice packaging for Ripuraj.
- Paper-based tube Kraftika by FlexiTubes won a gold for 'Packaging Excellence' and two silvers for 'Technical Innovation' and 'Expanding the Use of Flexible Packaging' at Flexible Packaging Awards 2022.
- Fully recyclable mono-polymer bags for large quantity rice packaging adjudged runner-up in Packaging (Large) category at The Economic Times Polymers Awards 2022.
- Lifted TPCI MSME Export Excellence Award 2022 for 'Innovation Leader in Flexible Packaging' for high on sustainability packaging structure made of transparent, coated polyester film F-ULP that significantly extends shelf life of food products and reduces the complexity of laminate structure.

Further the details of all Awards and Accolades conferred upon the Company are also provided on the Company's website at <http://www.uflexltd.com/awards.php>.

PERSONNEL

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the continued, sincere and devoted services rendered by all the employees of the Company.

ACKNOWLEDGEMENT

The Directors express their gratitude and thanks to all the Indian and International Financial Institutions & Banks, Government Authorities both in India & overseas where company's operations are carried out, Shareholders, Customers, Suppliers and other Business Associates for their continued co-operation and patronage.

For & On behalf of the Board

Ashok Chaturvedi

Place : NOIDA

Chairman & Managing Director

Dated : 28th May, 2022

DIN : 00023452

**ANNEXURE-‘A’
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

[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
UFLEX LIMITED
(CIN:L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
New Delhi-110048

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018– **Not Applicable as the Company did not issue any securities during the financial year under review.**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 -**Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008–**Not applicable as the Company has not issued any debt securities during the financial year under review.**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not got delisted its equity shares from any stock exchange during the financial year under review.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**

CIN: L74899DL1988PLC032166

(vi) The management has identified and informed the following laws as being specifically applicable to the Company:

1. Indian Boilers Act, 1923 and Rules made thereunder
2. The Petroleum Act, 1934 and Rules and Regulations made thereunder
3. Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016
4. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
5. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
6. Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
7. Environment (Protection) Act, 1986 and Rules made thereunder
8. Legal Metrology Act, 2009 and Rules made thereunder
9. The Plastic Waste Management Rules, 2016
10. The E-waste (Management) Rules, 2016

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

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India".
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above. Further, the Company was to undertake CSR Activities of an amount of Rs.396.75 Lacs based on the average profits of the three preceding financial years. However, the Company spent an amount of Rs.35.12 Lacs during the year and an amount of Rs.356.39 Lacs was transferred to CSR unspent account with Schedule Bank within 30 days from the closure of financial year as per provisions of section 135(6) after setting off an amount of Rs. 5.24 Lacs (excess spent on the CSR activities during the financial year 2020-21).

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meeting and Committee meetings are carried out unanimously and the views of dissenting members, if any, are captured and recorded as part of the minutes of Board of Directors or Committees of the Board, as the case may be.

We further report that based on the compliance mechanism established by the Company and on the basis of the Certificates issued by the Managing Director and CFO and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. above taken place.

**For Mahesh Gupta and Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor
FCS No.: 2870
C P No.: 1999**

**Place : Delhi
Date : 28th May, 2022**

**Peer review certificate no. 727/2020
UDIN: F002870D000414006**

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

ANNEXURE – “A-1”

To
The Members
UFLEX LIMITED
(CIN: L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
New Delhi-110048

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

- 1) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 5) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mahesh Gupta and Company
Company Secretaries

Mahesh Kumar Gupta
Proprietor

FCS No.: 2870

C P No.: 1999

Peer review certificate no. 727/2020

UDIN: F002870D000414006

Place : Delhi
Date : 28th May, 2022

ANNEXURE – ‘B’

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

1	Brief outline on CSR Policy of the Company	UFLEX strives to be a socially responsible Company and strongly believes in development which is beneficial for the society at large. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intent to make a positive contribution to the society in which the Company lives and operates			
2	Composition of CSR Committee:				
	Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	1.	Smt. Indu Liberhan DIN : 03341420	Chairperson / Independent Director	1	1
	2.	Shri Achintya Karati DIN : 00024412 (upto 31 st March, 2022)	Member / Independent Director	1	1
	3.	Shri Pares Nath Sharma DIN: 00023625 (w.e.f. 11 th February, 2022)	Member / Independent Director	Nil	Nil
	4.	Shri Jagmohan Mongia DIN : 09051022	Member / Executive Director	1	1
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.			https://www.uflexltd.com/pdf/Policies/Uflex-CSR-Policy.pdf	
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).			NOT APPLICABLE	
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any				
	Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs)	
	1	2020-21	Rs.5,24,000/-	Rs.5,24,000/-	
	2	2019-20	NIL	NIL	
	3	2018-19	NIL	NIL	
		TOTAL	Rs.5,24,000/-	Rs.5,24,000/-	
6	Average net profit of the Company as per section 135(5)			Rs. 19,837.52 Lacs	
7	(a)	Two percent of average net profit of the Company as per section 135(5)			Rs. 396.75 Lacs
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.			N.A.
	(c)	Amount required to be set off for the financial year, if any			Rs. 5.24 Lacs
	(d)	Total CSR obligation for the financial year (7a+7b- 7c)			Rs. 391.51 Lacs
8	(a)	CSR amount spent or unspent for the financial year:			
	Total Amount Spent for the Financial Year (Rs. in Lacs)	Amount Unspent (Rs. in Lacs)			
		Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
		Amount	Date of transfer	Name of the Fund	Amount
	35.12 Lacs	356.39	20-04-2022	N.A.	
	Total	356.39			

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project.	(6) Project duration.	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	(10) Mode of Implementation Direct (Yes / No).	(11) Mode of Implementation – Through Implementing Agency Name CSR Registration number
1	Eradicating Hunger and malnutrition by producing & distributing the Organic Agriculture Produce	Companies Act 2013; Section 135, Schedule VII, item i: Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care"] and sanitation 4[including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water. And item ii promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Yes	Uttar Pradesh Gautam Budh Nagar	24 Months	2,02,00,000/-	10,00,000/-	1,92,00,000/-	No	Sanshanam Abhay Daanam CSR00001492
2	Improving Healthcare System by Public by Growing & Distribution of Herbal Medicine	Companies Act 2013; Section 135, Schedule VII, item i: Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care"] and sanitation 4[including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water. And item ii promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Yes	Uttar Pradesh Gautam Budh Nagar	24 Months	1,74,39,000/-	10,00,000/-	1,64,39,000/-	No	Sanshanam Abhay Daanam CSR00001492
						3,76,39,000/-	20,00,000/-	3,56,39,000/-		

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation-Direct (Yes / No).	(8) Mode of implementation – Through implementing agency Name CSR registration number
				State.	District.			
1.	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	Yes	Uttar Pradesh	Gautam Budha Nagar	7,57,500/-	Yes	N.A. N.A.

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation- Direct (Yes / No).	(8) Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
2.	Promoting Environmental Sustainability at Gautam Budha Nagar	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	Yes	Uttar Pradesh	Gautam Budha Nagar	5,80,000/-	Yes	N.A.	N.A.
3.	Village Ecosystem Restoration through community action	Companies Act 2013; Section 135, Schedule VII, item iv Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining quality of soil, air and water [including contribution to the clean ganga Fund set-up by the Central Government for rejuvenation of river ganga];	Yes	Uttar Pradesh	Gautam Budha Nagar	1,75,000/-	Yes	N.A.	N.A.
TOTAL (8c)						15,12,500/-	--	--	--
(d)	Amount spent in Administrative Overheads								
(e)	Amount spent on Impact Assessment, if applicable								
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)								
						N.A.			
						3,91,51,000/-			

(g) Sl. No.	Particular	Excess amount for set off, if any :
(i)	Two percent of average net profit of the Company as per section 135(5)	Rs.396.75 Lacs
(ii)	Total amount spent for the Financial Year	Rs.391.51 Lacs*
(iii)	Excess amount spent for the financial year [(i)-(ii)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

*The Company has set off Rs. 5.24 Lacs, excess amount spent in the Financial Year 2020-21 and Rs.356.39 Lacs has been transferred to Unspent CSR account as per section 135(6)

9.	(a) Details of Unspent CSR amount for the preceding three financial years: N.A.							
	Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
					Name of the Fund	Amount (in Rs).	Date of transfer	
-	-	-	-	--	-	-	-	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project- Completed / Ongoing	
1.									
2.									
3.									
TOTAL									
10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).						Not Applicable		
(a)	Date of creation or acquisition of the capital asset(s).								
(b)	Amount of CSR spent for creation or acquisition of capital asset.								
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.								
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).								
11.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable								
(ASHOK CHATURVEDI) Chairman & Managing Director DIN : 00023452					(INDU LIBERHAN) Chairperson of CSR Committee DIN: 03341420				

Place : NOIDA
Dated : 28th May, 2022

ANNEXURE –‘C’ REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“the Listing Regulations”), the Company submits the Report on Corporate Governance followed by the Company.

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

UFLEX’s philosophy on Corporate Governance envisages the attainment of the highest level of transparency and accountability in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the Government and the lenders.

UFLEX believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders’ value over a sustained period of time.

2. BOARD OF DIRECTORS

a) Composition & Category of the Board (As on March 31, 2022)

The Board of Directors of the Company comprises of Eight Directors, consisting of two Executive Directors (including Executive Chairman), five Independent Non-Executive Directors (including one Woman Director) and one Nominee Director of IFCI being lender to the Company. The Board consists of eminent persons with considerable professional expertise and experience in business and industry, finance, audit, law, banking and public enterprises. Further, none of the Independent Directors of the Company serve as an Independent Director in more than Seven Listed Companies and no Independent Director is serving as a Whole-time Director in any Listed Company. All the Directors have made disclosures regarding their directorships and memberships on various Committees across all Companies in which they are Directors and Members.

The composition and category of Directors as on 31.03.2022 are as follows:

Sl. No.	Name of Director	Designation	Category
1.	Shri Ashok Chaturvedi DIN : 00023452	Chairman & Managing Director	Promoter/Executive Chairman
2.	Shri Jagmohan Mongia DIN : 09051022	Whole-time Director	Executive Director
3.	Shri Achintya Karati DIN : 00024412 (upto 31 st March, 2022)	Director	Independent, Non-Executive
4.	Shri Paresh Nath Sharma DIN : 00023625 (w.e.f. 11 th February, 2022)	Director	Independent, Non-Executive
5.	Shri Alok Sabharwal DIN : 021444568	Director	Non-Executive, Nominee Director - IFCI Limited (Lender)
6.	Shri Tara Sankar Bhattacharya DIN : 00157305	Director	Independent, Non-Executive
7.	Smt. Indu Liberhan DIN : 03341420	Director	Independent, Non-Executive
8.	Shri Arvind Mahajan DIN : 02410540 (upto 2 nd August, 2021)	Director	Independent, Non-Executive
9.	Shri Pradeep Narendra Poddar DIN : 00025199	Director	Independent, Non-Executive

Note:

- (1) Shri Achintya Karati (DIN : 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.
- (2) Shri Paresh Nath Sharma (DIN : 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.
- (3) Shri Arvind Mahajan (DIN : 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.

b) Board Meetings and Attendance Record of each Director

Five Board Meetings were held during the financial year 2021-2022. The dates on which the meetings were held are 02.06.2021, 29.06.2021, 14.08.2021, 03.11.2021 and 11.02.2022.

Attendance of each Director at the Board Meetings, Last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committee of each Director in various public companies and the names of the Listed Entities where the Person is a Director and the Category of Directorship are as follows:

(i) Five Board Meetings were held during the financial year 2021-2022. Attendance of each Director at the Meeting of the Board of Directors and the Last Annual General Meeting is as follows:

Sl. No.	Name of the Director	Attendance Particulars	
		Board Meetings	Last AGM
1.	Shri Ashok Chaturvedi	5	No
2.	Shri Jagmohan Mongia	5	Yes
3.	Shri Achintya Karati (#)	5	Yes
4.	Shri Paresh Nath Sharma (^)	Nil	No
5.	Shri Alok Sabharwal	4	Yes
6.	Shri Tara Sankar Bhattacharya	4	No
7.	Smt. Indu Liberhan	5	Yes
8.	Shri Arvind Mahajan (@)	2	No
9.	Shri Pradeep Narendra Poddar	4	Yes

(#) *Shri Achintya Karati (DIN : 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.*

(^) *Shri Paresh Nath Sharma (DIN : 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.*

(@) *Shri Arvind Mahajan (DIN : 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.*

Note: Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, some of the members, attended the Board Meetings, through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), during the FY 2021-22. Last AGM was held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

(ii) Directorships and Committee Memberships/Chairmanships in other Public Limited Companies / the names of the Listed Entities where the Person is a Director and the Category of Directorship as on 31st March, 2022

Name of the Director	No. of other Directorship and Committee Membership / Chairpersonship			Names of the other Listed Entities where the person is a director and the category of directorship
	Other Director-ship (in Public Co.)	No of Member-ship(s) of Board Committees in other Companies (*)	No. of Chairmanship(s) of Board Committees in other Companies (*)	
Shri Ashok Chaturvedi	1	--	--	1) Flex Foods Limited, (Non-Executive Chairman)
Shri Jagmohan Mongia	--	--	--	--
Shri Paresh Nath Sharma (^)	4	7	2	1) Flex Foods Limited (Independent , Non-Executive) 2) Singer India Limited (Independent , Non-Executive)
Shri Alok Sabharwal	--	--	--	--

Name of the Director	No. of other Directorship and Committee Membership / Chairpersonship			Names of the other Listed Entities where the person is a director and the category of directorship
	Other Director-ship (in Public Co.)	No of Member-ship(s) of Board Committees in other Companies (*)	No. of Chairman-ship(s) of Board Committees in other Companies (*)	
Shri Tara Sankar Bhattacharya	3	2	--	1) Surya Roshni Limited, (Independent, Non-Executive) 2) Nandan Denim Limited, (Independent, Non-Executive)
Smt. Indu Liberhan	1	2	1	1) Flex Foods Limited (Independent, Non-Executive)
Shri Pradeep Narendra Poddar	4	6	2	1) Welspun India Limited, (Independent, Non-Executive) 2) Polycab India Limited (Independent, Non-Executive)

(*) In accordance with the Listing Regulations, Membership and Chairpersonship of the Audit Committee and Stakeholders' Relationship Committee alone in all Public Limited Companies whether Listed or not (excluding UFLEX Limited) have been considered. Further, every Director has informed the Company about the Committee positions he / she occupies in other Companies. Further, No. of Membership of Board Committees in other Companies is inclusive of Chairmanship(s) if any held by the respective Director(s).

(^*) Shri Paresh Nath Sharma (DIN: 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.

Note:

(1) Shri Achintya Karati (DIN: 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.

(2) Shri Arvind Mahajan (DIN: 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.

c) Disclosure of relationships between directors inter-se;

None of the Directors are related to each other within the meaning of the term 'relative' as per section 2(77) of the Companies Act, 2013.

d) Number of shares and convertible instruments held by Non-Executive Directors:

As on 31st March, 2022, none of the Non-Executive Directors of the Company held shares and convertible instruments of the Company.

e) Board Procedure

The Board Meetings of the Company are convened by the Company Secretary on the direction of the Chairman. Sufficient notice in writing is given to all Directors for the Board Meetings and/or other Committee Meetings. All important matters concerning the working of the Company along with requisite details are placed before the Board.

f) Information supplied to the Board

The Board has complete access to all information of the Company, including inter-alia, the information to be placed before the Board of Directors as required under the Listing Regulations.

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned Departments / Divisions.

g) Skills / Expertise / Competence of the Board of Directors

The Company is a leading Indian multinational engaged in manufacturing, sale and export of flexible packaging products across the globe, therefore requires skills / expertise not only in flexible packaging business, but also in areas such as finance, banking, quality, operations, research & development, marketing and logistics. Shri Ashok Chaturvedi, Company's Chairman & Managing Director is the Chief Promoter of UFLEX Group of Companies, who had set up the business himself being the first generation entrepreneur and has in depth knowledge in flexible packaging business of the company. Mr. Ashok Chaturvedi, conferred with Award of 'Father of Flexible Packaging' at 1st Global Conference on Plastic & Packaging 2019.

The Board of Directors of the Company comprises highly qualified members, possessing required skills, expertise and competence in making effective contributions towards the growth of the Company. Leadership, operational experience, strategic planning, industry experience, research & development, innovation, consumer insights, marketing, supply chain management and branding are the key core skill / expertise / competence, in the context of the Company's business apart from governance, finance, taxation and regulatory affairs functions. In the opinion of the Board, these skills are available with the Member of the Board of Directors and the following chart / matrix depicts the aforesaid skills/expertise/competence possessed by the Member of the Board of Directors of the Company:

Sl. No.	Name of Director(s)	Skills / expertise / competence
1	Shri Ashok Chaturvedi	Leadership, Business Strategy, Industry Experience specially in Flexible Packaging Industry, Sales & Marketing, Strategic Planning, Product Innovation, etc.
2	Shri Jagmohan Mongia	Operations, Sales & Marketing, Financial Management & Accounting, Research & Development (R&D), etc.
3	Shri Paresh Nath Sharma (^)	Finance, Audit, Export, Personnel & Administration
4	Shri Achintya Karati (@)	Finance Management, Banking, Legal, Taxation and Capital Markets, Regulatory Affairs, etc.
5	Shri Alok Sabharwal	Finance Management, Credit, Merchant Banking, NPA Resolution, Corporate Advisory, etc.
6	Shri Tara Sankar Bhattacharya	Debt & Restructuring Advisory, Banking, etc.
7.	Smt. Indu Liberhan	Finance Management, Banking, Taxation and Capital Markets, Corporate Governance, etc.
8.	Shri Arvind Mahajan (\$)	Finance Management, Law, Sales, Marketing, Administration, Research, Corporate Governance, Technical operations, etc.
9.	Shri Pradeep Narendra Poddar	Strategic Planning, Business Operations, Industry Experience, Risk Management, Consumer insights & Supply Chain Management & Branding

Note:

(^) Shri Paresh Nath Sharma (DIN : 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.

(@) Shri Achintya Karati (DIN : 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.

(\$) Shri Arvind Mahajan (DIN : 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.

h) Compliance reports of all laws applicable to the Company

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are being reviewed by the Audit Committee and the Board.

i) Compensation or Profit Sharing

No Employee including Key Managerial personnel or director or promoter of the Company has entered into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

j) Independent Directors

Independent Directors plays an important role in the governance processes of the Board. They bring their expertise and experience in the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board. The terms and conditions of appointment of Independent Directors are available on the website of the Company www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-terms-conditions-of-appointment-of-independent-directors.pdf>).

Confirmation of Independence

The Independent Directors of your Company have confirmed that:

- (a) they meet the criteria of Independence as prescribed under Section 149 read with relevant rules of the Act and Regulation 16 of the Listing Regulations, and
- (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act, the Listing Regulations and are independent of the management of the Company.

Separate Meetings of Independent Directors

As stipulated the Code of Conduct for Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 18th February, 2022 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Boards which is necessary to effectively and reasonably perform and discharge their duties.

During the year, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

k) Familiarization Programme for Independent Directors

The Independent directors of UFLEX are eminent personalities having wide experience in the field of business, finance, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. The Independent Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. Independent Directors are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at website of the Company www.uflexltd.com to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Directors.

Further the company has familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization programme imparted to the Independent directors during the year are available on the website of the Company (weblink : https://www.uflexltd.com/pdf/Policies/UFlex_FP-Independent-Directors_21-22.pdf)

3. AUDIT COMMITTEE

Presently, the Audit Committee comprises of Five Members from the Board of Directors viz., Smt. Indu Liberhan, Shri Jagmohan Mongia, Shri Paresh Nath Sharma, Shri Tara Sankar Bhattacharya & Shri Pradeep Narendra Poddar. All the Members of the Audit Committee are Non-Executive and Independent Directors except Shri Jagmohan Mongia (Executive, Whole-time Director). Shri Paresh Nath Sharma was appointed as the Member of the Audit Committee w.e.f. 11th February, 2022. Shri Achintya Karati ceased to be the Member of Audit Committee w.e.f. 31st March, 2022. Smt. Indu Liberhan is the Chairperson of the Audit Committee. Majority of the members of Audit Committee have accounting and financial management expertise. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

Smt. Indu Liberhan (Chairperson of Audit Committee) was present in the last Annual General Meeting held on 27th September, 2021.

The terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and the Listing Regulations.

Details of Meetings and Attendance

During the year, the Audit Committee had met five times on 02.06.2021, 29.06.2021, 14.08.2021, 03.11.2021 & 11.02.2022. The attendance of each Committee members is as under:

Name of Member	Meetings Attended
Smt. Indu Liberhan	5
Shri Paresh Nath Sharma (^)	Nil
Shri Achintya Karati (@)	5
Shri Jagmohan Mongia	5
Shri Tara Sankar Bhattacharya	4
Shri Pradeep Narendra Poddar	4

Note :

(^) Shri Paresh Nath Sharma (DIN : 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.

(@) Shri Achintya Karati (DIN : 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.

(\$) Shri Arvind Mahajan (DIN : 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, some of the members, attended the Audit Committee Meetings, through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), during the FY 2021-22.

The head of Finance, Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various Divisions / Departments of the Company also attend the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee includes:

- a) To identify persons who are qualified to become directors and who may be appointed in the senior management, recommend to the Board about their appointment and removal and carry out evaluation of every director's performance;
- b) Formulation of criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- c) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- d) To evaluate and recommend terms of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Director;
- e) Devising a Policy on Board Diversity; and
- f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Composition and details of Meetings

Presently, the Nomination and Remuneration Committee consists of three Members viz. Smt. Indu Liberhan (Chairperson), Shri Paresh Nath Sharma and Shri Pradeep Narendra Poddar. Shri Arvind Mahajan and Shri Achintya Karati ceased to be the Member of the Nomination and Remuneration Committee w.e.f. 2nd August, 2021 and 31st March, 2022 respectively. All the members of the Nomination and Remuneration Committee are Non-Executive Directors and all are Independent. Smt. Indu Liberhan (Chairperson of Nomination and Remuneration Committee) was present in the last Annual General Meeting held on 27th September, 2021. The Company Secretary acts as the Secretary to the Committee.

During the year, the Nomination and Remuneration Committee had met on 11.02.2022. All the Members have attended the meeting.

Performance Evaluation for Independent Director

The criteria for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the directors who are subject to evaluation had not participated.

5. REMUNERATION OF DIRECTORS

Details of Remuneration paid to Managing/Whole-time Directors for the year ended 31.03.2022 are given below:

(Rs. In Lacs)

Name	Sitting Fee	Salaries, Allowances and Employer's Contribution to PF	Perquisites	Commission	Total	Date of Appointment/ Re-Appointment	Service Term
Shri Ashok Chaturvedi (Chairman & Managing Director)	--	972.48	27.44	450.00	1449.92	1 st February, 2019	5 Years
Shri Jagmohan Mongia (Whole-time Director)	--	194.32	4.91	--	199.23	11 th February, 2021	5 Years

For any termination, the Company or the Executive Director is required to give notice as per the Policy formulated by the Company to the other party in this regard.

The company does not have any stock option scheme.

None of the Directors of the Company other than the Chairman & Managing Director and Whole-time Director has any pecuniary relationship with the Company except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) of Directors attended by them.

Sitting fees is paid to Non-executive directors for attending each meeting of the Board and Committees thereof. The criteria for making payment to Non-Executive Directors is available at the Company's website www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-criteria-for-making-payment-to-non-executive-directors.pdf>).

Details of sitting fees paid to the Non-Executive Directors during the financial year are as follows:

(Amount in Rs.)

Sl. No.	Name of Directors	Board Meetings	Committee Meetings*	Total
1.	Shri Achintya Karati	2,50,000	7,50,000	10,00,000
2.	Shri Paresh Nath Sharma	--	1,00,000	1,00,000
3.	Shri Alok Sabharwal Nominee- IFCI Limited	2,00,000	--	2,00,000
4.	Shri Tara Sankar Bhattacharya	2,00,000	2,50,000	4,50,000
5.	Smt. Indu Liberhan	2,50,000	5,00,000	7,50,000
6.	Shri Arvind Mahajan	1,00,000	--	1,00,000
7.	Shri Pradeep Narendra Poddar	2,00,000	3,00,000	5,00,000

* Includes the sitting fees paid to attend the separate meeting of Independent Directors.

Note :

(^) Shri Paresh Nath Sharma (DIN : 00023625) was appointed as Director of the Company w.e.f. 11th February, 2022.

(@) Shri Achintya Karati (DIN : 00024412) ceased to be Director of the Company w.e.f. closing business hours of 31st March, 2022.

(\$) Shri Arvind Mahajan (DIN : 02410540) ceased to be Director of the Company w.e.f. closing business hours of 2nd August, 2021.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Presently, the Stakeholders' Relationship Committee consists of three Members viz. Shri Paresh Nath Sharma (Chairman), Shri Jagmohan Mongia and Smt. Indu Liberhan. Shri Paresh Nath Sharma was appointed as the Member of the Stakeholders' Relationship Committee w.e.f. 11th February, 2022. Shri Achintya Karati ceased to be Member of the Stakeholders' Relationship Committee w.e.f. 31st March, 2022.

The Committee, *inter-alia*, approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfer(s) / transmission(s). The Committee also looks into redressal of shareholders'/investors' complaints. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

In order to expedite the process of share transfers / transmission, the Committee has nominated a Sub-Committee of two officers, who normally attend to the transfer and other related matters within a period of 10 days. The Committee of Officers operates subject to overall supervision and directions of Stakeholders' Relationship Committee.

During the year, the Stakeholders' Relationship Committee had met on 05.10.2021 and 25.02.2022. All the Members had attended the meetings. Shri Achintya Karati (Chairman of Stakeholders' Relationship Committee upto 10th February, 2022) was present in the last Annual General Meeting held on 27th September, 2021.

The total numbers of complaints received and resolved during the year under review were 3 (Three). Outstanding complaints as on 31.03.2022 were Nil. There were no valid share transfers pending for registration for more than 10 days as on the said date.

Shri Ajay Krishna, Sr. Vice President (Legal) & Company Secretary acts as Compliance Officer and Secretary to the Committee.

Prohibition of Insider Trading

With a view to regulate Trading in Securities by the Directors and Designated Employees, the Company has adopted a "Code of Conduct for Prohibition of Insider Trading".

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Presently, the CSR Committee has three Members consisting of Smt. Indu Liberhan (Chairperson), Shri Paresh Nath Sharma and Shri Jagmohan Mongia. Shri Paresh Nath Sharma was appointed as the Member of the Corporate Social Responsibility (CSR) Committee w.e.f. 11th February, 2022. Shri Achintya Karati ceased to be Member of the Committee w.e.f. 31st March, 2022.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The Terms of reference of the Committee includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder; recommending the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy of the Company from time to time as specified in Schedule VII of the Companies Act, 2013. CSR Policy is available on the website of the Company www.uflexltd.com (Weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-CSR-Policy.pdf>).

One meeting of the Corporate Social Responsibility Committee was held on 03.11.2021 during the year and all the Members attended this Meeting. During the Financial Year 2021-2022, the Company was to undertake CSR Activities of an amount of Rs. 391.51 Lacs after setting off excess amount of Rs.5.24 Lacs spent in previous year. However, the Company spent an amount of Rs.35.12 Lacs during the year and an amount of Rs.356.39 Lacs was transferred to CSR unspent account with Schedule Bank within 30 days from the closure of financial year as per provisions of section 135(6) of the Companies Act, 2013 for meeting CSR activities for ongoing projects.

8. RISK MANAGEMENT COMMITTEE:

Presently, the Risk Management Committee has three Members consisting of Smt. Indu Liberhan (Chairperson), Shri Paresh Nath Sharma and Shri Jagmohan Mongia. Shri Paresh Nath Sharma was appointed as the Member of the Risk Management Committee w.e.f. 11th February, 2022. Shri Achintya Karati ceased to be Member of the Committee w.e.f. 31st March, 2022.

During the year, the Risk Management Committee had met on 20.12.2021. All the Members excluding Shri Paresh Nath Sharma (who was appointed as the Member of Risk Management Committee w.e.f. 11th February, 2022) had attended the meetings.

9. SUBSIDIARY COMPANIES

All subsidiary companies of the Company are managed by their respective Board of Directors having the rights and obligations to manage companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies, inter-alia, by the following means:

- Financial statements, in particular the investments made in the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

Further, Policy for determining material subsidiaries has been posted on the website of the Company www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-policy-for-determining-material-subidiaries.pdf>).

10. GENERAL BODY MEETINGS

- The details of last three Annual General Meetings held and information regarding Special Resolution passed are as under:

AGM	Day, Date & Time	Venue	Special Resolution Passed
30 th	Thursday, August 1, 2019, At 10:00 A.M.	Air Force Auditorium, Subroto Park New Delhi – 110010	1. Re-appointment of Shri Ashok Chaturvedi (DIN: 00023452), Chairman & Managing Director of the Company as Chairman & Managing Director of the Company 2. Re-appointment of Shri Tara Sankar Bhattacharya (DIN: 00157305) as an Independent Director 3. Re-appointment of Smt. Indu Liberhan (DIN: 03341420) as an Independent Director 4. Re-appointment of Shri Pradeep Narendra Poddar (DIN: 00025199), as an Independent Director.
31 st	Thursday, September 17, 2020 At 11:00 A.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	None
32 nd	Monday, September 27, 2021 At 3:00 P.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	None

- Whether Special Resolutions were put through Postal Ballot?

The Company has put Special Resolution through Postal Ballot and successfully completed the process of obtaining approval of its Members. The postal ballot exercise was conducted by M/s Mahesh Gupta & Company, Company Secretaries. Following Special Resolution(s) were passed through Postal Ballot on 24th March, 2022 during the year:

Resolution No. 1 – Increasing the Borrowing Powers of the Company

- Voted 'FAVOUR' and 'AGAINST' the resolution:

Particulars	Number of members voted	Number of votes cast in the resolution	% of total number of valid votes cast
Favour	212	34112215	99.92
Against	31	27163	.08
Total	243	34139378	100.00

- Votes 'INVALID':

Total number of members whose votes declared Invalid	Total number of votes cast by them declared Invalid
Nil	Nil

Resolution No. 2 – Creation of Mortgage / Charge on the Assets of the Company

(a) Voted 'FAVOUR' and 'AGAINST' the resolution:

Particulars	Number of members voted	Number of votes cast in the resolution	% of total number of valid votes cast
Favour	205	34111541	99.92
Against	38	27837	.08
Total	243	34139378	100.00

(b) Votes 'INVALID':

Total number of members whose votes declared Invalid	Total number of votes cast by them declared Invalid
Nil	Nil

Resolution No. 3 – Appointment of Shri Paresh Nath Sharma (DIN 00023625) as an Independent Director of the Company

(a) Voted 'FAVOUR' and 'AGAINST' the resolution:

Particulars	Number of members voted	Number of votes cast in the resolution	% of total number of valid votes cast
Favour	218	34110348	99.91
Against	25	29030	.09
Total	243	34139378	100.00

(b) Votes 'INVALID':

Total number of members whose votes declared Invalid	Total number of votes cast by them declared Invalid
Nil	Nil

Resolution No. 4 – Adoption of New Set of Article of Association of the Company

(a) Voted 'FAVOUR' and 'AGAINST' the resolution:

Particulars	Number of members voted	Number of votes cast in the resolution	% of total number of valid votes cast
Favour	209	33389788	97.80
Against	34	749590	2.20
Total	243	34139378	100.00

(b) Votes 'INVALID':

Total number of members whose votes declared Invalid	Total number of votes cast by them declared Invalid
Nil	Nil

(ii) Whether any Special Resolution is proposed to be passed through Postal Ballot?

Special Resolution(s) as may be considered necessary/required would be passed through Postal Ballot.

(iii) Procedure for Postal Ballot

In terms of the General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 33/2020 dated September 28, 2020 (collectively the "MCA Circulars"), The Postal Ballot Notice was sent by email to all the members of the Company who have registered their email addresses with the company or depository / depository participants and the communication of assent / dissent of the members took place only through the remote e-voting system.

11. MEANS OF COMMUNICATION

The quarterly un-audited financial results and annual audited financial results duly approved by the Board of Directors are sent to all the Stock Exchanges where the Company's shares are listed immediately after the Board Meeting. The same are widely published in leading Newspapers such as "Financial Express" (in English) and "Jansatta" (in Hindi).

Detailed presentations were made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations were also uploaded on the Company's website (weblink: <https://www.uflexltd.com/earnings-conference-call.php>) and duly intimated to the Stock Exchanges where equity shares of the Company are listed. The Company regularly interacts with the shareholders through multiple channels of communication such as publication of Results including outcome of the Board Meeting, Annual Report, Press Releases and Analyst Call etc. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

The Company's corporate website, www.uflexltd.com provides comprehensive information on UFLEX's portfolio of businesses, CSR and Sustainability initiatives, Environment, Health & Safety (EHS) Policy, Shareholding Pattern, Key Company Policies, and Contact details of the Company's employees responsible for assisting investors & handling investor grievances. The website has entire sections dedicated to UFLEX's profile, history and evolution, its core values, corporate governance and leadership. An exclusive section "Investors" serves to inform and service Shareholders, enabling them to access information at their convenience. The entire Report and Accounts as well as the quarterly, half-yearly and annual financial results are available in downloadable formats under the section 'Investor' on the Company's corporate website as a measure of added convenience to the investors.

- NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

- BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

12. CEO/CFO CERTIFICATIONS

The Chairman & Managing Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of the Listing Regulations at its meeting held on 28th May, 2022.

13. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting to be held on:

Date : 14th September, 2022
 Day : Wednesday
 Time : 3:00 PM (IST)
 Venue : Annual General Meeting through Video Conferencing/ Other Audio Visual Means (VC/OAVM facility)

[Deemed Venue for Meeting: Registered Office: 305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash – I, New Delhi – 110 048]

(b) Tentative Financial Calendar

- Results for quarter ending 30.06.2022 : By mid of August, 2022
 - Results for quarter ending 30.09.2022 : By mid of November, 2022
 - Results for quarter ending 31.12.2022 : By mid of February, 2023
 - Results for year ending 31.03.2023 : By 30th May, 2023

Financial Year of the Company is for a period of 12 months commencing from 1st April and ending on 31st March.

(c) Book Closure date

Saturday, 20th August, 2022 to Wednesday, 14th September, 2022 (both days inclusive)

(d) Dividend payment date

Dividend for the financial year 2021-2022, if declared will be paid/credited to the account of the shareholders on or after 14th September, 2022.

(e) Name and Address of Stock Exchange(s) at which the Equity Shares are listed

The equity shares are listed on the following Stock Exchanges:

1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

2. National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Note: Annual Listing fees for the year 2022-2023 have been duly paid to the above Stock Exchanges.

(f) Stock Code - (Equity shares)

Trading symbol – National Stock Exchange of India Ltd.: 'UFLEX'

Trading symbol – BSE Limited: 500148

(g) Demat ISIN Number in NSDL & CDSL : INE516A01017

(h) Stock Market Price High-Low Data of the Company for the year 2021-2022:

The Monthly High and Low Price of Shares Traded at "The National Stock Exchange Limited" and "The BSE Limited" for the Financial Year 2021-22 are as under:

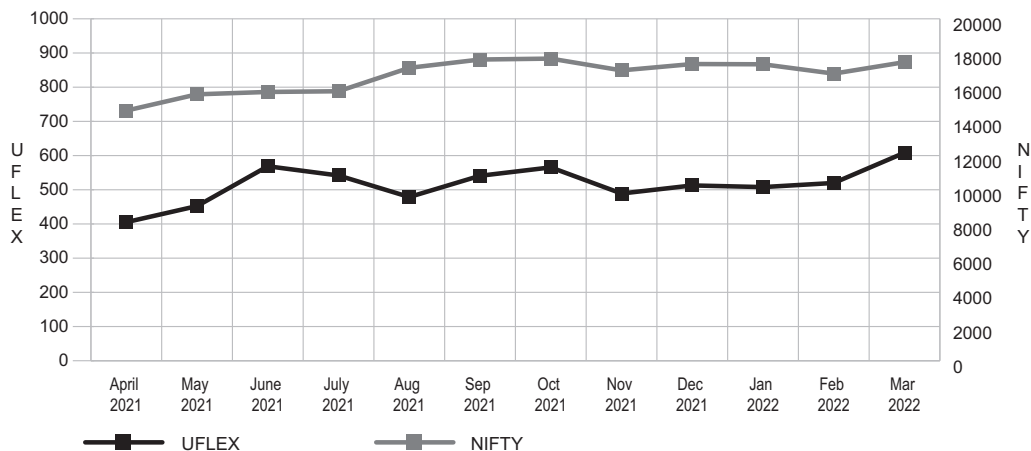
(Amount in Rs.)

Month	NSE		BSE	
	HIGH	LOW	HIGH	LOW
Apr-21	413.90	352.80	413.05	353.80
May-21	463.05	400.40	465.00	400.00
Jun-21	572.90	434.80	572.90	435.25
Jul-21	593.90	511.25	594.00	511.25
Aug-21	579.00	427.00	579.00	427.05
Sep-21	563.95	474.20	564.00	474.30
Oct-21	658.00	531.95	658.45	531.30
Nov-21	592.00	465.00	592.00	465.00
Dec-21	556.00	487.75	556.40	489.15
Jan-22	556.60	490.00	556.55	491.00
Feb-22	590.00	431.65	589.90	486.00
Mar-22	629.85	485.00	629.35	484.05

(i) Performance in comparison to broad based indices such as NIFTY

Performance in comparison to NIFTY

(UFLEX Limited Share Price Vs. NIFTY on the last trading day of the Month).



(j) Address for correspondence for investors/deposit holders' queries

For shares held in physical form:

The Company's Registrar & Share Transfer Agent (RTA), address at:

Beetal Financial & Computer Services Pvt. Ltd.

(Unit : UFLEX Limited)

BEETAL House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,

Near Dada Harsukh Dass Mandir, New Delhi – 110062

Tel. No. 011-29961281-83, Fax No. 011 – 29961284

E-mail: beetal@beetalfinancial.com

For shares held in Demat form: To the Depository Participants (DP)

(k) Share Transfer System

The Company is complying the terms of the Listing Regulations, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the document. Shareholders are advised to dematerialise their shares held by them in physical form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

(l) Distribution of Shareholding as on 31.03.2022

Category (Share)	Number of Shareholders	Total Number of Shares	% to Total Shares
Up to 500	53428	3878713	5.37
501 – 1000	1649	1296389	1.80
1001 – 2000	727	1094961	1.52
2001 – 3000	258	653383	0.90
3001 – 4000	113	402904	0.56
4001 – 5000	89	414582	0.57
5001 – 10000	174	1271976	1.76
10001 – 20000	84	1205950	1.67
Above 20000	103	61992628	85.85
TOTAL	56625	72211486	100.00

(m) Categories of Shareholders as on 31.03.2022

Category	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	11	31784239	44.02
(2)	Foreign	--	--	--
	Total Shareholding of Promoter and Promoter Group	11	31784239	44.02
(B)	Public Shareholding			
(1)	Institutions	97	5044507	6.98
(2)	Non-Institutions	56517	35382740	49.00
	Total Public Shareholding	56614	40427247	55.98
(C)	Non Promoter-Non Public			
(C1)	Shares underlying DRs	--	--	--
(C2)	Shares held by Employee Trusts	--	--	--
	Total (A+B+C)	56625	72211486	100.00

(n) Dematerialization of Shares and liquidity

Nearly 99.48% of total equity share capital is held in dematerialized form upto 31.03.2022 with NSDL and CDSL. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.

(o) Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity

No ADRs / GDRs / Warrants or any Convertible Instruments have been issued by the Company during the year under review and there is no outstanding ADRs / GDRs / Warrants or any convertible instruments as on 31st March, 2022.

(p) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

A section on the Risk Management is covered in detail under Management Discussion and Analysis Report forming part of Annual Report. The details of Commodity Price Risk and Foreign Currency Risk are discussed

in the Notes on the Financial Statements. However, Company has not undertaken any hedging activity during the year.

(q) Plant Locations

The Company has following Plant Locations in India:

1. A-1, Sector-60, NOIDA (U.P.)
2. A-2, A2A, Sector-60, NOIDA (U.P.)
3. C-3-4, 5-8, 17-18, Sector 57, NOIDA (UP)
4. C-175, Sector – 10, NOIDA (U.P.)
5. D-1-2, 15-16, Sector - 59, NOIDA
6. Unit-I, Lane No. 3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
7. Unit-II, Lane No. 2, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
8. Unit-III, Lane No. 3, Phase-I, SIDCO Industrial Complex, Bari Brahmana, Jammu
9. SM8 + SM10, Sanand, Gujarat
10. Plot No. 20, Mummigati Industrial Area, Dharwad, Karnataka

(r) Address for Correspondence

The shareholders may address their communication/grievances/queries/ suggestions to:

Beetal Financial & Computer Services Private Limited (Unit: UFLEX Limited) BEETAL House, 3rd Floor, 99 Madangir Behind Local Shopping Centre Near Dada Harsukh Dass Mandir New Delhi – 110062 Tel. No. : 011- 29961281-83 Fax No. : 011- 29961284 E-mail: beetal@beetalfinancial.com	UFLEX Limited 305, 3rd Floor, Bhanot Corner Pamposh Enclave, Greater Kailash-I New Delhi - 110048 Tel. No. : 011-26440917, 26440925 Fax No. : 011-26216922 E-mail : secretarial@uflexltd.com
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In case the securities are suspended from trading, the Directors Report shall explain the reason thereof: Not Applicable

(s) Credit Ratings

The Company has obtained the following Credit Ratings during the year ended 31st March, 2022:

Rating Agency	Rating	Outlook
CRISIL Limited	CRISIL AA-	Stable
India Ratings and Research (Ind-Ra)	IND AA-	Stable

14. DISCLOSURES

a) Related Party Transactions

During the year, Company has no materially significant related party transaction with any of related party, which is considered to have potential conflict with the interests of the Company at large. Suitable disclosure as required by the Indian Accounting Standards-24 (Ind AS-24) has been made in the notes on the Financial Statements.

All related party transactions are in ordinary course of business and negotiated on an arms- length basis, and are intended to further the Company's interests.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website (Weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-RELATED-PARTY-TRANSACTIONS-POLICY.pdf>)

b) Whistle Blower Policy / Vigil Mechanism

Fraud-free and corruption-free work culture has been the core of the Company' functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address this risk. It is affirmed that no personnel has been denied access to the Audit Committee.

To meet this objective, a Whistle Blower Policy has been laid down. The same policy as approved by the Board has uploaded on the Company's website www.uflexltd.com (weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-Whistle-Blower-Policy.pdf>)

c) Weblink where policy for determining "Material" subsidiaries

<https://www.uflexltd.com/pdf/Policies/Uflex-policy-for-determining-material-subsidiaries.pdf>

d) Accounting Treatment

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, by the Ministry of Corporate Affairs (MCA), the provision of the Companies Act, 2013, Guidance / Advisory issued by the Institute of Chartered Accountants of India (ICAI) and the guidelines issued by the Securities and Exchange Board of India (SEBI).

e) Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

f) Proceeds from public issue, rights issue, preferential issue or FCCB issue

During the year, the Company has not raised any funds from public issue, rights issue, preferential issue or FCCB issue.

g) Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report.

h) Details of Non-compliance, Penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority

The Company has complied all the requirement of Regulatory Authorities. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory Authority on any matter related to Capital Markets during the last three years.

i) Code of conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the directors and senior management. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been put on the Company's website www.uflexltd.com (Weblink: <https://www.uflexltd.com/pdf/Policies/Uflex-CODE-OF-CONDUCT.pdf>). The Code has been circulated to all the members of the Board and Senior Management and its compliance is affirmed by them.

A declaration signed by the Company's Chairman and Managing Director is published in this Report.

j) Review of Directors' Responsibility Statement

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2022 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

k) The Company has complied with the conditions of Corporate Governance requirements as stipulated in the Listing Regulations, as applicable.

l) Company has obtained a Certificate from M/s Mahesh Gupta & Company, Company Secretaries that none of directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by Board/Ministry of Corporate Affairs or any such statutory authority. The requisite certificate is attached to the Report on Corporate Governance as **ANNEXURE – 'C-1'**.

m) The Board of Directors of the Company has accepted the all recommendations made by all the Committees.

n) Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to Statutory Auditor, M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N) & M/s. M S K A & Associates, Chartered Accountants (Firm Registration Number – 105047W), for the year ended 31st March, 2022 are as under:

(Rs. in Lacs)

Particulars	M/s. KAAP & Associates, Chartered Accountants (Firm Registration No. 019416N)	M/s. M S K A & Associates, Chartered Accountants (Firm Registration Number – 105047W)*
Audit Fees	95.45	45.75
Taxation Matters	42.25	00
Other Services (Certification Charges)	30.98	21.64
Out of Pocket Expenses	4.14	0.95
Total	172.82	68.34*

*apart from this Rs. 120.14 Lac was paid to M/s BDO, a network branch of M/s. M S K A & Associates, Chartered Accountants, with respect to its Overseas Subsidiary Companies.

- o) Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made elsewhere in the Director's Report.
- p) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under Regulation 32(7A)
This Clause is not applicable to the Company as the Company not raised any fund through preferential allotment and / or QIP
- q) Disclosure by listed entity and its subsidiaries of "Loans and Advances in the nature of loans to firms/companies in which directors are interested by name and amount: **Nil**

OTHER REQUIREMENT AS PER THE LISTING REGULATIONS

(i) The Board

The Chairman of the Company is the Executive Chairman.

All the Directors including Independent Directors are appointed/re-appointed by the Board from time to time.

(ii) Shareholders' Rights

The quarterly, half-yearly and annual financial results of the Company are published in the newspapers and are also posted on the Company's website www.uflexltd.com (weblinks: <http://www.uflexltd.com/financials.php>). The complete Annual Report is sent to each and every shareholder of the Company in applicable mode.

(iii) Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

(iv) Business Responsibility Report ("BRR")

The Business Responsibility Report of the Company includes its responses to questions on the practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships forms an integral part of the Annual Report.

(v) Reporting of Internal Auditors

The Internal Auditors directly report to the Audit Committee.

15. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The status of equity shares lying in the unclaimed suspense account is as follows:

Sl. No.	Particulars	Number of Shareholders	Total Number of equity shares held
1.	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the beginning of the year	19	729
2	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year	--	--
3	Number of shareholders to whom shares were transferred from unclaimed suspense account during the year	--	--
4	Transferred to Investor Education and Protection Fund (IEPF) in accordance with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	4	54
5	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the year	15	675

It may please be noted that, the voting rights on the unclaimed shares shall remain frozen till the rightful owner of the shares claims the shares.

16. COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from RA & Co. Company Secretaries LLP, a firm of Practicing Company Secretaries of the Company is annexed herewith.

The above report has been placed before the Board at its meeting held on 28th May, 2022 and the same was approved.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF UFLEX LIMITED

We have examined the compliance of the conditions of Corporate Governance by Uflex Limited ("the Company") for the year ended on 31st March 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations during the year ended 31st March, 2022.

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

For RA & CO. COMPANY SECRETARIES LLP

CS Raghav Agarwal

Managing Partner

C.P. No. : 12370; FCS 8844

Peer Review Certificate no.: 1031/2020

UDIN: F008844D000436546

Place: NOIDA

Date: 28th May, 2022

DECLARATION

To the Members of UFLEX LIMITED

I, Ashok Chaturvedi, Chairman & Managing Director of the Company, hereby certify that the Board Members and Senior Management Personnel have affirmed compliance with the Rules of Code of Conduct for the financial year ended 31st March, 2022 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For UFLEX LIMITED

Ashok Chaturvedi

Chairman & Managing Director

DIN : 00023452

Place : NOIDA

Dated : 28th May, 2022

ANNEXURE – ‘C-1’

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
UFLEX LIMITED
(CIN: L74899DL1988PLC032166)
305, 3rd Floor, Bhanot Corner,
Pamposh Enclave, Greater Kailash-I,
New Delhi-110048

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UFLEX Limited having CIN L74899DL1988PLC032166 and having registered office at **305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash-I, New Delhi-110048** (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Ashok Chaturvedi	00023452	21-06-1988
2	Mr. Achintya Karati**	00024412	14-09-2000
3	Mr. Pradeep Narendra Poddar	00025199	30-05-2017
4	Mr. Tara Sankar Bhattacharya	00157305	14-02-2015
5	Mrs. Indu Liberhan	03341420	28-05-2015
6	Mr. Arvind Mahajan*	02410540	03-08-2016
7	Mr. Alok Sabharwal, Nominee Director	02144568	02-12-2020
8	Mr. Jagmohan Mongia	09051022	11-02-2021
9	Mr. Paresh Nath Sharma	00023625	11-02-2022

* Mr. Arvind Mahajan ceased to be the Director of the Company w.e.f. 02-08-2021

** Mr. Achintya Karati ceased to be the Director of the Company w.e.f. 31-03-2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mahesh Gupta and Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor**

FCS No.: 2870

C P No.: 1999

Peer review certificate no. 727/2020

UDIN: F002870D000413931

**Place : Delhi
Date : 28th May,2022**

ANNEXURE – ‘D’ MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD-LOOKING STATEMENT

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company’s actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

MACROECONOMIC OVERVIEW

The world is now two years into the COVID-19 pandemic, and the end is nowhere in sight. The human, economic and social toll of the pandemic has been devastating. Rising poverty, job losses, shredded safety nets, health-care systems pushed to the brink, and the impacts of a changing climate are placing the Sustainable Development Goals further out of reach. Inequalities are intensifying, setting the stage for an uncertain, uneven and unfair recovery. In some countries, ambitious vaccination roll-outs and bold economic support and stimulus packages are paving the way towards recovery. More than a quarter of developing countries have yet to achieve their pre-pandemic levels of output, hampered by severely inadequate access to vaccines and limited financial resources. Job creation has been insufficient to make up for earlier losses, with employment deficits disproportionately affecting women and youth. Against this backdrop, the risk of new COVID-19 variants emerging and spreading threatens to derail any recovery prospects. At the same time, rapidly rising inflation in many parts of the world will result in higher interest rates, limiting borrowing and constraining fiscal space at exactly the time countries should be investing in jobs, education, health care, and the green economy. This will, for developing countries already drowning in debt, result in defaults and prolonged economic distress. Further, the conflict between Ukraine & Russia has come as a major blow to the global economy that will hurt growth further and raise prices. The conflict arose at a worse time for the global economy, when the recovery from the pandemic-induced contraction had begun to falter, inflation was surging, central banks in the world’s largest economies were gearing up to hike interest rates, and financial markets.

The war in Ukraine is resulting in tragic loss of life and human suffering, as well as causing massive damage to Ukraine’s physical infrastructure. War has resulted in more than 1 million refugees to neighboring countries. Unprecedented sanctions have been announced on Russia. While the situation remains highly fluid and the outlook is subject to uncertainty, the economic consequences are already very serious. Energy and commodity prices—including wheat and other grains—have surged, adding to inflationary pressures from supply chain disruptions and the rebound from the Covid-19 pandemic. Price shocks will have an impact worldwide, especially on poor households for whom food and fuel constitute large portion of household expenses. Should the conflict escalate, the economic damage would be far devastating. The sanctions on Russia will also have a substantial impact on the global economy and financial markets, with significant spillovers to other countries.

However, the consequences of conflict between Russia & Ukraine have already shaken not just those nations but also the other region and the world. While some effects may not fully come into focus for many years, there are already clear signs that the war and resulting jump in costs for essential commodities will make it harder for policymakers in some countries to strike the delicate balance between containing inflation and supporting the economic recovery from the pandemic.

1. GLOBAL ECONOMY

Global economic recovery depends on a delicate balance amid new waves of COVID-19 infections, persistent labour market challenges, lingering supply-chain constraints and rising inflationary pressures. After a global contraction of 3.4 per cent in 2020 and following an expansion of 5.5 per cent in 2021, the highest rate of growth in more than four decades, the world economy is projected to grow by 4 per cent in 2022 and 3.5 per cent in 2023. World gross product in 2021 was 1.9 per cent higher than in 2019 but still 3.3 per cent below the level of output projected prior to the pandemic. These aggregate growth figures, however, mask marked divergences in the pace of recovery across countries and regions. Global recovery in output in 2021 was largely driven by robust consumer spending and some uptake in investment. Trade in goods bounced back, surpassing the pre-pandemic level. But growth momentum slowed considerably by the end of 2021 including in big economies like China, the European Union and the United States of America, as the effects of fiscal and monetary stimuli dissipated and major supply-chain

disruptions emerged. Growth impetus generally has been weaker in most developing countries and economies in transition. While higher commodity prices have helped commodity exporting countries at large, rising food and energy prices have triggered rapid inflation, particularly in the Commonwealth of Independent States (CIS) and Latin America and the Caribbean. Recovery has been especially slow in tourism-dependent economies, notably in the small island developing States. (Source: https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/WESP2022_web.pdf). However, Global economic prospects have worsened significantly after conflicts between Ukraine and Russia. The war is a humanitarian disaster. Beyond this, the economic damage is already being felt worldwide and risks becoming increasingly severe and long-lasting. The war has thrown the growth recovery from the COVID 19 pandemic into doubt and has sewn catastrophe across the region, destroying lives, homes and infrastructure. The post-Covid-19 pandemic recovery is being hit by a potentially huge global supply shock that will reduce growth and push up inflation. The war in Ukraine and economic sanctions on Russia have put global energy supplies at risk. Sanctions seem unlikely to be rescinded any time soon. Russia supplies around 10% of the world's energy, including 17% of its natural gas and 12% of its oil. The jump in oil and gas prices will add to industry costs and reduce consumers' real incomes. Outright shortages and energy rationing are possible in Europe if there is an abrupt halt to Russian supply. Fitch Ratings has cut its world GDP growth forecast for 2022 by 0.7pp to 3.5%, with the eurozone cut by 1.5pp to 3.0% and the US by 0.2pp to 3.5%. This reflects the drag from higher energy prices and a faster pace of US interest rate hikes than anticipated. We have lowered our forecast for world growth in 2023 by 0.2pp to 2.8% (Source: <https://www.fitchratings.com/>).

Risks to the outlook, including supply chain disruptions, shortages of critical inputs, and labor shortages, are tilted to the downside and may lead to more uncertainty and volatility in the months ahead. Supply chain pressures have somewhat abated, but they are still acute with elevated freight rates. Shortages of crucial inputs such as semiconductors are expected to last into 2023 according to industry experts. Labor shortages have intensified in particular in the UK and the US, and to a lesser extent in Europe with unemployment rates reaching historic lows in several countries. Geopolitical risks have also increased, in particular with regards to the Ukraine crisis. Finally, many central banks have already become increasingly contineous in response to high inflation that proved to be more persistent than initially expected

The International Monetary Fund (IMF) vide its January 2022 World Economic Outlook (WEO), has projected the global growth to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. However, the outlook has deteriorated, largely because of Russia's –Ukraine War—causing a tragic humanitarian crisis in Eastern Europe—and the sanctions imposed on Russia. This crisis unfolds while the global economy was on a mending path but had not yet fully recovered from the COVID-19 pandemic, with a significant divergence between the economic recoveries of advanced economies and emerging market and developing ones. In addition to the war, frequent and wider-ranging lockdowns in China—including in key manufacturing hubs—have also slowed activity there and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become more challenging. Beyond the immediate humanitarian impacts, the war will severely set back the global recovery, slowing growth and increasing inflation even further. The April 2022 World Economic Outlook (WEO) Report of The International Monetary Fund (IMF), projects global growth at 3.6 percent in 2022 and 2023 and this is 0.8 and 0.2 percentage points lower than in the January forecast, respectively (<https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>). The downgrade largely reflects the war's direct impacts on Russia and Ukraine and global spillovers.

The global economy made the transition from recovery to expansion in 2021 amid ongoing turbulence from the COVID-19 pandemic. But, the Ukraine-Russia conflict has also added to already high uncertainty about the global outlook. Although many countries appear to be moving past the acute phase of the pandemic, new variants could again lead to waves of infection and further disruption. Inflation pressure could strengthen more than anticipated and demand more aggressive policy responses. Moreover, with continued tight policies toward the real estate sector and the possibility of more widespread lockdowns a part of the strict zero-COVID strategy, China's economy could slow more than currently projected—with consequences for Asia and beyond. This could further negatively impact the recovery, particularly in emerging market and developing economies. More fundamentally, geopolitical tensions threaten the rules-based frameworks that have governed international economic relations since World War II. Current sanctions imposed on Russia are already cutting financial and trade linkages between Russia and other countries, with far-reaching repercussions. Increased global polarization also impedes the cooperation essential for

long-term prosperity. This could include derailing the urgent climate change agenda and undermining multilateral efforts to improve debt resolution frameworks, trade integration, and initiatives to avoid future pandemics.

An uneven economic expansion generated supply/demand imbalances, lead to major supply chain disruptions and rising inflation. In 2022, businesses will navigate multiple transitions in the global economy. These include the transition from pandemic to endemic COVID-19, the shift from fiscal policy stimulus to restraint, rising interest rates and tightening credit conditions, and a bumpy energy transition from hydrocarbons to renewables. Amid these transitions, global economic growth will perhaps slowdown in 2022, as some major economies approach or reach full employment. Geopolitical conflicts will continue to pose risks to the outlook (**Source: <https://ihsmarkit.com/>**).

2. INDIAN ECONOMY

For the second consecutive year, the Indian Economy has witnessed the effects caused by the covid-19 pandemic. These have been difficult times for the Indian Economy simultaneously with the global economy. It is not just about the immediate disruptions and uncertainty caused by repeated waves of the pandemic, but also the longer-term uncertainty about the post-Covid world due to accelerated shifts in technology, consumer behaviour, supply-chains, geo-politics, climate change and a host of other factors. However, the Indian Economy has shown strong resilience to come out of the effects of the pandemic with high growth and is poised for a rebound after enduring a second wave of COVID-19 infections during the year under review. Advance estimates of the Economic Survey 2021-22 suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the “second wave” in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe (**Source: <https://www.indiabudget.gov.in/>**). However, India’s economy maintained the rebound momentum in the July–September quarter (Q2) of FY2021–22. GDP grew at 8.4% year over year (YoY) in Q2 FY2021–22. Growth was driven by strong exports, thanks to the global economic recovery, and domestic private investment as businesses ramped up production to meet festive demand. Investment has maintained a steady pace of growth in the past two quarters after declining for over a year, which indicates that the capital expenditure cycle has started to gain pace (**Source: www2.deloitte.com**).

Even as the Indian economy faces multi-dimensional challenges in the short term, it remains one of the most dynamic major economies in the world with huge potential. With structural drivers of growth firmly in place, the pace of economic growth is expected to pick up over time. The Indian economy is gaining momentum, driven by the recovery in industrial output, growth in core sectors, coupled with fairly focused government initiatives and policies. While the economy is reviving from the effects of the second wave and rapid vaccination drive, it is also witnessing a gradual momentum in some of the highly distressed sectors. After the second infection wave that peaked in May 2021, the recovery was gaining momentum and GDP was projected to grow at 9.4% in fiscal year (FY) 2021-22 before reverting to 8.1% in FY 2022-23 and 5½ per cent in FY 2023-24 (**Source: <https://www.oecd.org/economy/india-economic-snapshot/>**).

The acceleration of foreign direct investment inflows into India over the past decade reflects the strong long-term growth outlook for the Indian economy. India’s nominal GDP measured in USD terms is expected to rise from USD 2.7 trillion in 2021 to USD 8.4 trillion by 2030. The long-term outlook for the Indian economy is supported by a number of key growth drivers. An important positive factor for India is its large and fast growing middle class, which is helping to drive consumer spending. India’s consumption expenditure will double from USD 1.5 trillion in 2020 to USD 3.0 trillion by 2030, measured in constant prices. The rapidly growing Indian domestic consumer market as well as its large industrial sector have made India an increasingly important investment destination for a wide range of multinationals in many sectors, including manufacturing, infrastructure and services. The digital transformation of India that is currently underway is expected to accelerate the growth of e-commerce, changing the retail consumer market landscape over the next decade. This is attracting leading global multinationals in technology and e-commerce to the Indian market. By 2030, 1.1 billion Indians will have internet access, more than doubling from the estimated 500 million internet users in 2020. The rapid growth of e-commerce and the shift to 4G and 5G smartphone technology will boost home-grown unicorns like online e-commerce platform. The large increase in FDI inflows to India that has been evident over the past five years is also continuing with strong momentum in 2020 and 2021. This is boosted by large inflows of investments from global technology MNCs, such as Google and Facebook that are attracted to India’s large domestic consumer market. Overall, India is expected to continue to be one of the world’s fastest growing economies over the next decade. This will make India one of the most important

long-term growth markets for multinationals in a wide range of industries, including manufacturing industries such as autos, electronics and chemicals, and services industries such as banking, insurance, asset management, health care and information technology. (Source: <https://cdn.ihsmarkit.com/>). However, International Monetary Fund (IMF) in its April 2022 World Economic Outlook (WEO) Report has projected India's GDP growth at 8.9% in 2021, 8.2% in 2022 and 6.9% in 2023 respectively.

3. INDUSTRY STRUCTURE & DEVELOPMENTS

Packaging is often termed as an economical means of providing protection, convenience, containment and compliance to a product during its storage, transportation, display, and usage. Flexible packaging refers to a package made of flexible and easily yielding materials that can be easily molded into different shapes. Flexible packaging is one of the rapidly growing segments of the packaging industry, combining the highest qualities of film, paper, and aluminum foil to provide a wide range of protective characteristics. These flexible packages can acquire the shape of a pouch, liner, bag or overwrap and it can resonate with any type of packaging. Various applications of flexible packaging in the food industry include packaging of ready-to-eat food items, boil-in-bag pouches, and foods that are often transferred from freezer-to-microwave. Packaging used for freezer-to-microwave type food is resistant to high temperature extremes and is a good moisture-resistant sealant as well. The non-food product applications of flexible packaging include insulation, cosmetics, and healthcare. The market is growing rapidly with flexible packaging ensuring food safety, enhanced value of food products, extended shelf-life, heating and moisture barrier, effective permeability, and ease of use. Consumers are also preferring this packaging type because of its commitment to convenience, aesthetic appeal and durability.

The Flexible Packaging Industry has been leading the way in packaging innovation since the early 1950s, and is at the forefront of important packaging trends in product protection, packaging design and performance, consumer convenience, and sustainability. However, the past two years have been active growth periods for the flexible packaging industry. While the pandemic seems to have spurred the overall growth of hygienically packed products, the investments in large film lines point to significant long-term growth for flexible packaging. The attributes of flexible packages positively impact the environment, consumers and businesses. Further, it offers numerous advantages over rigid packaging. It helps in extending the shelf life of various products, particularly food, and has a positive sustainability profile. Flexible packaging also requires lower energy to produce and to transport, and generates lower quantities of greenhouse gases. Additionally, it also offers convenience to consumers as it is light-weight, easy to open, carry, store, and reseal. All the major traditional benefits of rigid packaging can be realized from flexible packaging with the added advantages of lower cost and greater flexibility.

The market for flexible packaging is currently exhibiting strong growth largely driven by a continuous growth in its end use sectors such as food, retail, consumer goods, pharmaceuticals, etc. Catalyzed by rising levels of urbanization, changing dietary habits, large expatriate population and increasing penetration of organized retail formats such as hypermarkets and supermarkets, the processed and packaged food market is currently exhibiting strong growth. Moreover, driven by economic growth and rising personnel disposable incomes, the retail and consumer goods market is also experiencing strong growth. Additionally, the rising prevalence of various chronic and acute diseases coupled with increasing geriatric population is driving the demand of pharmaceuticals.

The global flexible packaging market is segmented on the basis of material, packaging type, end-use industry, and region. On the basis of material, the market is segmented into paperboard, plastic, and aluminum foil. By packaging type, it is divided into stand-up pouch, films, bag-in-box, and others. On the basis of end-use industry, it is segmented into food & beverages, personal care, pharmaceutical, household care, industrial, & others.

Key trends in the flexible packaging industry

- The packaging industry is one of the major consumers of single-use plastic. Thus, the pressure for pushing for less single-use plastic drives the flexible packaging industry. Both packaging value chain players and customers aim to reduce plastic waste. Before the Covid-19 pandemic, plastic de-selection was implemented at several retailers across the world, especially in Europe.
- The market growth of e-commerce since the Covid-19 outbreak is exponential. With the growth of e-commerce, the need for convenience has shaped new expectations in B2B and B2C industries. These e-commerce packages demand better impact and puncture resistance as they are handled by more people. Especially in the fresh meat packaging, a small leak could hamper the quality of e-grocery deliveries. Careless handling and poor packaging material could hamper the brand and create dissatisfaction among consumers. All these issues can be solved with the use of innovative materials in flexible packaging.

- The pressure to develop eco-friendly and sustainable packaging will continue to drive innovation in the flexible packaging industry. Several companies have already collaborated to harness the power of eco-friendly and puncture-resistant materials that offer increased shelf life and sustainability to meet customer expectations regarding packaging.
- The barrier properties of flexible packaging are under innovation over the last few years. As these barriers offer better contamination protection while using fewer materials, their applications and investment in R&D have increased. On the other hand, adhesives are other aspects that became popular in flexible packaging. From general-purpose sealing to dual oven-friendly lidding, adhesives offer improvements in containing liquid products and help brands meet customer demands.
- In future, the flexible packaging industry would be driven by convenience, functionality, and sustainability. The variations and new technological innovations in these trends gain traction and help customers to access fresh, untampered products.

Packaging industry is an enormous economic generator on a global scale and is one of the largest & highest growth sectors of the Indian economy. With the rising requirement for packaging across sectors, with traditional businesses preferring to package products, and the retail and e-commerce growing rapidly, the industry is growing at a robust pace.

The growth of the Packaging Industry in India is largely driven by various logistic applications, technological advancements and the development of the packaging sector across the country resulting in amongst the high growth industries in India and the country is becoming a preferred hub for packaging industry. Currently the 5th largest sector of India's economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export markets. Costs of processing and packaging food can be substantially lower than parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue for investment. A high degree of potential exists for almost all user segments which are expanding appreciably - processed foods, hard and soft drinks, fruit and marine products. Further, in India, the fastest growing packaging segments are laminates and flexible packaging.

Over the last few years, Packaging Industry has been an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments. The growth in lifestyle and consumption patterns has increased the demand for the packaged products resulting in growth of packaging industry. Consumer awareness surrounding packaged food, specifically packaged food deliveries, has heightened. The boom in e-commerce and organized retail is expected to enhance the growth of plastic packaging and per capita consumption in the near future. The rising purchasing power, due to the growth in per-capita income of the Indian middle-class, is fueling the Indian packaging market in adopting better packaging methods, materials, and machinery, to ensure quality factors for Indian businesses. During pandemic consumers stocked up as governments announced quarantines and stay-at-home measures. This boosted flexible packaging consumption – and thus BOPP film demand in many markets, including Europe.

4. BUSINESS REVIEW

(i) Packaging Films Business

The main products of this business are BOPP films, CPP films, Polyester (BOPET) films, Metalized, AIOx Coated, Specialty films and Green films such as Asclepius™ PCR (Post-consumer Recycled) PET films and Recyclable Mono-material films.

The Company's OPP (Orientated Polypropylene) films comprising of BOPP (Bi-axially Oriented Polypropylene) and CPP (Cast Polypropylene) films are highly cost effective, functionally efficient and therefore have rapidly penetrated into high barrier sensitive packaging segment across the world. These films are primarily used for applications like packaging & conversion; industrial coatings; printing & lamination; encapsulation; overwraps (for CDs, cigarettes, cartons), confectionery packaging; anti-fog (for food products), textile bags; biscuit and sandwich overwrap amongst several others products. BOPP films are known to offer better moisture barrier thus finding extensive use in manufacturing packaging material for snack food. High tensile strength, low elongation and thermal shrinkage further makes it suitable for processing on high-speed printing, coating/laminating and other converting machines. BOPP film is known to have a combination of excellent slip and optical properties. The high gloss and excellent clarity provides good aesthetic appeal whereas controlled

slop properties make it suitable to perform well on various Form Fill Seal (FFS), Overwrapping and Converting machines in order to improve or maintain high productivity. The company manufactures BOPP films at its India, Egypt & Hungary plant with a cumulative capacity of 1,49,000 TPA. In the fiscal 2021-22, the company commissioned its greenfield project in Rétság in Hungary which houses a 10.4 mt wide BOPP line with a capacity of 42,000 TPA, lending the company an advantage of offering a mix of BOPP and BOPET films in the European Union region.

Even the CPP film is extremely dynamic and versatile with high gloss, better transparency, good heat sealability and twisting property, superior tear and is puncture resistant. These factors pave way for its application in food wraps, packing bakery products, anti-wraps, anti-fog packaging, garment bags, retort packaging, deep freeze applications, etc. The company manufactures CPP film at its India plant in Noida and overseas in Egypt plant, the former largely catering to the captive market whereas the latter serves the international market. The cumulative capacities of its two CPP film lines stand at 11,000 TPA. In the previous fiscal, the company announced the setting up of a CPP film line each at its existing facility in UAE and another in Dharwad, Karnataka with a capacity of 18,000 TPA each.

BOPET (Bi-axially Oriented Polyethylene Terephthalate) film is a polyester film using high quality resins and exhibits superior mechanical properties, improved resistance to chemicals, good barrier to oxygen, excellent receptivity to surface treatment & coatings and high resistance to abrasion. These films also have excellent dielectric properties, good flatness and coefficient of friction (COF), tear resistance and puncture resistance, excellent dimensional stability over a wide range of temperature, good resistance to common solvents, moistures, oil and grease and poses excellent barrier against a wide range of atmospheric gases among other benefits. This variant, therefore, finds extensive use in metallizing, thermal lamination, lidding functions, holographic applications, pressure sensitive tapes, cable wrapping among several others. Produced at the company's world-class film manufacturing plants at India, UAE, Egypt, Poland, Mexico, USA, Russia and Nigeria, BOPET films manufactured in the Indian plants meet domestic market requirements whereas overseas plants serve regional markets across the globe through different strategic locations. After commissioning a BOPET film line each in Poland and Russia in the previous fiscal, the company in fiscal 2021-22 commissioned 10.6 mt wide BOPET film line with a capacity of 45,000 TPA at its greenfield plant in Ogun State in Nigeria. With the commissioning of the latest BOPET film plant, the company's cumulative BOPET film production capacity globally stood at 3,50,000 TPA.

In India, the current cumulative capacity of Packaging films line with BOPET, BOPP, CPP in Noida plant is 92,000 TPA. The Company is also coming up with a BOPET film line at Dharwad, in the state of Karnataka with a total capacity of 45,000 TPA.

Metallized films are manufactured at all film manufacturing plants of the company including the newly commissioned Hungary and Nigeria plants to provide value-added films thus taking the cumulative capacity of metallizer globally to 2,12,700 TPA. The company also manufactures high barrier metallized films that are considered as ultimate solution for packaging a wide array of products requiring extended shelf life apart from a host of applications in various industries. AIOx coated transparent ultra-high barrier films manufactured by the company finds extensive use in stand-up pouches that offer see through features to consumers at the point-of-sale (POS).

To ensure consistent supply of raw materials to the films plant, the Company has also decided to invest in Polyester Chips plant at Panipat, in the State of Haryana.

(ii) Flexible Packaging Business

The main products of this business are laminates made of various combinations of Polyester, BOPP, Poly, Metalized & Holographic films and others in roll form or various preformed pouches & bags of several sizes and profiles and laminated tubes. With the most expansive product offering that includes 3D, 4D, innolock or stand-up pouches with re-closable options, gusseted bags and hygiene films for baby and hygiene segments, big bags for pet food or hot-fill pouches for baby food, premium shower-proof bags for cement, block bottom bags for chemicals and fertilizers, FlexFresh™ modified atmospheric packs for fresh produce, blister packs for medicines, easy-tear sachets to pack sanitizer and ketchup, laminated tubes FlexiTubes and many more, its offering goes beyond the conventional use of flexible packaging. Six layered cotton N95 masks were added to the company's portfolio since the onset of pandemic.

UFlex offers flexible packaging solutions for a variety of products such as snack foods, candy and confectionery, sugar, rice & other cereals, beverages, tea & coffee, desert mixes, noodles, wheat flour, soaps and detergents, shampoos & conditioners, vegetable oil, spices, marinades & pastes, cheese & dairy products, frozen food, sea food, meat, anti-fog, pet food, pharmaceuticals, contraceptives, cement and other building materials, garden fertilizers and plant nutrients, motor oil and lubricants, automotive and engineering components among several others. Thus, the company offers flexible packaging solutions for the entire spectrum of product types which includes solids, semi-solids, powders, granular materials, viscous fluids, pastes and gels. With the foray of UFlex into Aseptic Packaging Material manufacturing in 2016, it has been offering packaging solutions for non-aerated liquid products as well, enabling the company to boost its entire bouquet of product offerings. To summarize, the company offers end-to-end packaging solutions for:

- Solid Products/ Granular material/ Powder (10 grams to 40 kg)
- Semi Liquid Products (10 ml to 200 ml)
- Non-aerated liquid products (65 ml to 1000 ml) through aseptic packaging

Also, aligned with the core business of Flexible Packaging are allied activities involving manufacturing of packaging and converting machines; rotogravure printing cylinders, flexo-printing press, flexo-polymer plates, elastomers & sleeves; printing inks & laminating adhesives, specialty coatings, ink binders and polyol; and anti-counterfeiting and brand enhancement value enabler products via holographic materials and solutions- all of which makes the company a fully vertically integrated company.

The company has the technical ability and innovative skills to engineer flexible packaging solutions with optimized barrier properties, superior aesthetics, enhanced functionalities, high eco-friendliness and infallible brand protection features. UFlex is one of the global leaders producing bespoke world-class flexible packaging solutions. The guiding vectors of the company's business strategy are:

- Innovation to create value-added differentiation;
- Proximity to customers;
- Speed-to-market reach for reaping the first mover advantage;
- Ability to offer end-to-end solutions across the entire flexible packaging spectrum;
- Ability to execute any quantum of order and ensuring just-in-time deliveries anywhere across the globe.

Given the evolving requirements of the consumer packaged goods industry, the value proposition that drives flexible packaging innovations are 'Sustainability, Brand Protection & Innovation' that has enabled brand owners to make a mark with their offerings to consumers.

The Printing Cylinder Business traverses the complete life-cycle from design to print to offer infallible printing consistency and eco-friendly products to its converting customers.

With a wide range of product offering- *Electromechanical Engraved Printing Rotogravure Cylinders, Robotic Laser Engraved Rotogravure Cylinders, Embossing Rotogravure Cylinders,*

Specialised Rotogravure Cylinders (High & Low GSM Coating and Anilox Rollers), Flexographic Printing Plates (Esko CDI Crystal Imager & Kodak Flexcel NX System) and Flexo Elastomer Plates and Sleeves- the business that has plants in Noida and Jammu assures quality while ensuring time-bound deliveries. Its Noida plant is equipped with a fully automatic Robotic Laser Engraving line for manufacturing of Rotogravure Cylinders.

Underscoring its commitment to produce sustainable flexible packaging without compromising on quality, the Printing Cylinders Business in FY2021-22 installed a Kodak Flexcel NX 4260 system to manufacture the very popular Flexo KodakNX printing plates thus facilitating conversion of jobs from gravure to flexo and minimizing wastage.

The Engineering Business has been manufacturing high-end machines in the segments of converting and packaging, like CI Flexo Printing, Rotogravure Printing, Laminators (Solvent-less, Solvent-base & Combi), Form-Fill-Seal, Pick-Fill-Seal, Wrapping, Pouch-making, Slitters to complete the gamut of packaging (liquid, aseptic, solid, granular), Special-purpose coating, doctoring & inspection machines. This business supplies these machines to domestic as well as export markets and takes great pride in engineering customized mechanisms with quality services not just at point of sale but also after sales.

To tackle the challenge of recycling multi-layer mixed plastic waste, the business designed ReLAM 250, an advanced multi-layer recycling machine meeting European standards, which turns mixed plastic waste into granulated product called pellet, without the need for separation of layers, thus dispelling the myth that multi-layer plastic cannot be recycled. Pellets formed out of this machine can be used to make various useful moulding products like dustbin, outdoor bench, paver tiles and more.

The business works on new innovations & product developments after ascertaining customer and market forecasts. With the demand for packed beverages like juice, dairy products and alcohol burgeoning, in the fiscal 2021-22 the engineering team developed servo powered liquid filling machine 'Flexpress 10000' with a capacity to pack 10,000 aseptic liquid packs in an hour. This machine allows brands and converters to manage multiple volume range and quick change-over time.

Chemicals Business of UFlex manufactures liquid inks (solvent & water-based); laminating adhesives (water-based, solvent and solvent-less); ink binders, polyols and specialty coatings (UV/UV-LED/EB) for flexible packaging, mono-cartons & graphic arts, labels and paper board segments of the packaging industry.

In the fiscal 2021-22, the business fared distinctively well despite volatile demand emanating from severe market disturbances in the eco-system. It continued to garner newer clients across regions and expanded its product distribution network to feed newer geographies. Resultantly, it strengthened its position further as a preferred supplier in the Asian, Middle East and Eastern European Markets. The business also witnessed quite a transformation ranging from new products and revolutionary initiatives, especially in the space of sustainability. It has been successfully conducting advanced research on green chemistry and focusing on introducing sustainability-led solutions with VOC (low volatile organic compound) content focusing on water-based and LED/UV based technology. Driven by the aim to reduce water consumption and its pollution, Chemicals production unit in Noida became a zero liquid discharge (ZLD) facility. The plant has proactively adopted this technology thus saving close to 20 kiloliters of water every day.

The Holography Business of UFlex has always been ahead of the curve when it comes to offering cutting-edge anti-counterfeiting solutions with unique security features and brand enhancement value enabler products to its customers. Its client range includes Pharmaceutical, Automotive, FMCG, Consumer Electronics, F&B, Textiles and more to whom the business offers an array of holographic solutions that help brands stand out on the retail shelves, distinguish their products from the fakes, authenticate legitimate transactions and returns, thus promoting safe business practices. Its innovative offerings help private brands, government departments and educational institutions by way of providing superior brand protection solutions. UFlex is also a certified printer by Indian Banks' Association (IBA) for the printing of MICR instruments for leading banks.

The business demonstrated steady, sustainable and consistent growth in the fiscal 2021-22 winning business from many new customers and even saw the return of old customers. With COVID retreating gradually, brands turned to control losses that happened due to counterfeiting incidents reported during the pandemic and towards this, the Company was offering the range of innovative solutions.

(iii) Aseptic Liquid Packaging Business

Asepto™ the Aseptic Liquid Packaging Business brand from the house of UFlex caters to segments viz., Juices, Non-aerated Alcoholic Beverages and highly perishable liquid consumables like milk and other dairy products. With its strong backward integration business solution capabilities, it has been able to offer unique formats of pack combined with an experience of rare aesthetics and brand protection achieved via never-seen-before captivating effects like foil stamping, holography, and 3D lens under the categories Asepto Spark, Premium, and Eye. Leading brands have partnered Asepto incorporating these innovations in their packaging strategies in order to differentiate their brands and packs on the retail shelves and attract new-age consumers.

Asepto caters to over 120 customers in the domestic market and exports to over 35 countries worldwide. Asepto has become the world's fastest growing brand and in the fiscal 2021-22, it doubled its annual capacity from 3.5 billion to 7 billion packs at its plant in Sanand, Gujarat.

To bring a sustainable change to its fold, Asepto envisioned the project of setting up India's first and world's fastest line for U-shaped paper straws. The said line is being set up at its existing aseptic liquid packaging plant in Sanand where they will be manufactured in sizes 145mm and 165mm. Asepto has partnered Dutch

company Tembo BV papers to bring in the best available fully automated technology and manufacture food-grade moisture-resistant paper straws from sustainably derived papers that are 100% recyclable and renewable.

Some of the updates of product innovations and launches from UFlex are listed below:

- Paper-based structure replacing metal foil and poly for aesthetically rich look pharma packs for an OTC brand.
- Material reduction at source with three-ply stand-up sustainable spout pouches to pack large quantities of liquid.
- Recyclable mono-material BOPP based structure with cold seal for a global chocolate brand's India launch.
- High barrier mono-material recyclable bag for snack packaging for Danish brand KIMS.
- MOPE based PE mono-polymer recyclable bag for large quantity rice packaging for EBRO.
- 50% higher barrier three-side sealed PET film pouch for frozen food packaging.
- Value-added specialized matt finished PET polyester packaging in different sizes for Fidele pet food.
- Transparent high-barrier laminate sachet to pack dairy whitener for Namaste India Foods.
- 3D bags with extra attachment of perforation for toy/stationary packaging to give children an easy-tear experience.
- Standee spout pouches with BON and special grade PE to pour out delivered hot tea without spillage.
- Paper-based sustainable packaging laminate with registered hot stamping for Tetley's green tea bags.
- Three-layered PET/PE packaging format with registered window lamination for a leading sugar manufacturer.
- Stand-up 3D Pouch with registered window and press-to-close feature for ready-to-eat seafood packaging.
- Flexo KodakNX printing plates manufacturing for easy and improved print quality on all substrates.
- Foil stamping aseptic packs for liquor brand UDAAN from RADICO Khaitan to elevate aesthetics.
- FDC chose Asepto's holographic packs to launch its brand 'Electral Z' (ORS+Zinc Solution) ready-to-drink OTC product, having this unique formulation manufactured by Halewood Laboratories Private Ltd, in pharmacies and health centers across India. Aseptic pillow packs were also supplied to dairy brand Thirumala for packing milk.
- High on performance PU resin FLEXPAC 2765 for 1K matt coating on printed PET & BOPP films.
- Water-based adhesives FLEXBOND SF WET LAM – 1178 for side and bottom sealing compatible with high-speed mono carton making machines.
- FLEXBOND WB White water-based adhesive with superior bond strength and opacity for food and non-food packaging applications.
- FLEXGREEN series UV flexo laminating adhesive HRK09990 for high-end label and tag printing applications.
- Flexcure opaque white ink delivering consistent cure at highest speed and good adhesion for shrink sleeve application.
- High-performance strong opacity sealing for packaging with FLEXBON 601A_FLEXBON 601W adhesive to make the pack eye-catching.
- Two component solvent-free adhesive FLEXBON 702A_FLEXBON 777C for multiple laminates that delivers speckling-free performance in snack packaging.
- FLEXCURE SUPER GLIDE UV COATING applied over inks for lustrous looking food and non-food packs such as PVC sheet, mono-cartons and book titles.
- Solvent based ink FLEXFAB HR INK to deliver sharp printability on HDPE/PP woven structure used for cement & fertilizers packaging.
- FLEXCURE HFS over-printable coating for labelling applications specifically formulated to be applied in-line over wet or dry UV inks.
- New generation UV ink FLEXCURE Sheetfed MT Series for offset application for metal packaging decoration.
- FLEXCOAT AQUABAN water repellent coating for kraft paper for use in corrugation boxes.
- Holographic lidding foil with special invisible ink to arrest counterfeiting in pharma packs.

- PVC sparkle glitter film for photo album application to treasure memories.
- Unbreakable and flexible mirror film made of soft polyester material for safe use in toys for children and fashion accessories.
- Ultra-matte effect foil for high-end home furnishings to deliver foil prints, metal embellished designs and brass finish.
- Sparkle glitter effect film for decorative applications in carry bags, gift-wraps, premium gift boxes, textile laces, photo albums, etc.
- Time efficient, high-accuracy Combi Laminator for dry and solvent-less lamination process to serve packaging of food, building materials & dry chemicals.
- Reverse Registered Coating on pre-printed substrates through lamination machine.
- High-speed Trim Rewinder TRIM LINE 1000 for slitting jobs, marking a step towards organized recycling of trimming.
- Registered lamination process led machine for clear view product packaging.
- Pre-formed pouch making machines with holographic strip integration within pre-printed films and 100% 'i-mark to i-mark' registration accuracy to arrest counterfeiting challenges & enhance packs looks.
- Ultra-high gas & moisture barrier, high metal bond and three-ply easily recyclable metallized BOPET film F-UHB- M designed to replace aluminium foil.
- Superior oxygen and moisture barrier metallized recyclable two-structure BOPP film B-TUH-M with robust seal strength for food packaging applications.
- Multi-layered mono-material recyclable BOPP film B-TGM with outstanding oxygen, aroma & moisture barrier for packing of dry food items in pouches and bags.
- Superior oxygen & moisture barrier transparent BOPP film B-TEM launched.

5. Sustainability- The Ultimate Destination of UFlex

Sustainability is a mega-trend influencing the packaging industry. The answer to any company trying to attain sustainable plastic packaging lies in what methodologies it adopts to have circular economy model. While using recyclable packaging definitely helps reduce a company's carbon footprint, it does not address the issue of plastic waste if that packaging post consumption does not reach the appropriate recycling streams.

As industry leaders in flexible packaging value chain, UFlex is determined to act as a catalyst of change and is committed to conserve the environment while serving the brands and preserving the integrity of the packed contents. With its ESG embedded strategies, the company is hopeful of building medium-to-long-term value creation for its stakeholders. The change it aims is not just limited to only the point of consumption but covers the entire gamut, running across the lifecycle of packaging commodities. Through the global sustainability initiative 'Project Plastic Fix' that UFlex implements, it has been successfully deploying different methodologies to keep plastic in the economy yet out of the environment. The company has been developing solutions that turn waste into wealth and defines a life for plastic beyond its original use. Towards this, it has been recycling post-consumer MLP(multi-layer packaging) mixed plastic waste into granules; upcycling recycled resins into upto 100% PCR(post-consumer recycled) content PET films and also creating solutions that use lesser amount of virgin plastic at source. The new high-value line of products aimed at adoption of responsible packaging such as low on carbon footprint packaging films (without sacrificing the quality of film) and mono-PE based structure that support material simplification for better recycling efficiencies were added to the portfolio mix. Solutions such as the proposed enzyme-based biodegradable polymers for which UFlex is ready with an infrastructure for its manufacturing reflects the company's increased focus and investments in R&D towards sustainable packaging.

UFlex has already been recycling MLP mixed plastic waste and discarded PET bottles at our existing Noida plant and in the fiscal FY2021-22, it increased the capacity of MLP recycling in India by 20% taking the existing recycling quantity to close to 30,000 tonnes of plastic waste per year. Milking the company's recycling abilities and technology, UFlex began upcycling PE-based structures to produce PCR-PE films for non-food applications and started manufacturing PCR-PET films and packaging at Noida plant. The company's target is to reach 1,00,000 tonnes of recycling quantity by FY2024-25 which its aims to achieve with the commissioning of new recycling lines in Mexico and Poland facility and building more such recycling capacities in other key manufacturing locations.

To share its expertise and practices in recovering and recycling post-consumer plastic waste with the world and also learn universally accepted practices from others, UFlex joined global non-profit organization 'Alliance to End Plastic Waste' as a board member in September 2021. Besides collaborating on methodologies to reinstate the virtue of plastic in the world, this association is an attestation of the company's equally strong focus on plastic waste management as on its core business growth.

6. HALL OF FAME

UFlex was bestowed with renowned awards and recognition from the industry such as:

- Food compliant water-based ink FLEXAQUAPAP for food wraps outshines at WorldStar 2022 awards for its ability to meet business and sustainability goals.
- AIMCAL 2021 'Sustainability of the Year Award' to BOPET blister pack film F-ISB-M; and 'Product of the Year Award' to Zipper re-closable handled non-woven bag with block bottom for bulk rice packaging for Ripuraj.
- Paper-based tube Kraftika by FlexiTubes won a gold for 'Packaging Excellence' and two silvers for 'Technical Innovation' and 'Expanding the Use of Flexible Packaging' at Flexible Packaging Awards 2022.
- Fully recyclable mono-polymer bags for large quantity rice packaging adjudged runner-up in Packaging (Large) category at The Economic Times Polymers Awards 2022.
- Lifted TPCI MSME Export Excellence Award 2022 for 'Innovation Leader in Flexible Packaging' for high on sustainability packaging structure made of transparent, coated polyester film F-ULP that significantly extends shelf life of food products and reduces the complexity of laminate structure.
- Clinched 18 awards at IFCA Star Awards 2021 for 'Innovation & Creativity' and 'Best Branding through Packaging' categories,
 - Non-woven block bottom bags for Ripuraj Rice.
 - Hot seal pinch concept WPP bags for Mahmood Rice.
 - Value-added 3D pouch packaging for Al-Fanoos Coffee.
 - Standee pouches with metallized PE & matt effect for cable packaging for Hills Cab.
 - Stand-up hot fill decoction pouches for Araku Filter Coffee.
 - Resource efficient pouches for Naturohabit Fresh Beauty Products & Cosmetics.
 - Non-woven bags with high tensile strength and barrier properties for poultry feed packaging for Promois International.
 - Dhoop Chhao textile printing using foil.
 - Holographic PVC - pharma blister pack for Sumo by Alkem Laboratories.
 - Registered lens technology with holographic labels for Sona Sikka.
 - Security labels with registered de-metallization.
 - Printing security documents for education sector.
 - Cylinders for holographic lens effect and hidden security features for Taycon Natural Potato Snacks.
 - Hand embossing effects with laser etched cylinders for OM Vinyls.
 - Pyramid effect on artificial leather (PU) for OM Vinyls.
 - Flexseal blister coating for sealing PET/PVC Blisters & fold-over packaging applications.
 - 360 degree reverse printing technology for Streak Serum Shine Conditioner.
 - Foil stamping feature for Fresca Mango Juice 200ml packs.
- UFlex swept 11 titles at SIES SOP Star Awards 2021 across its businesses for Packaging Innovation and Creativity. The winners were:
 - President's Award for 'Sustainability & Innovation' to paper-based tubes Kraftika for Wow Skin Science.
 - High Barrier Mono-polymer recyclable bags for pet food packaging for Nestle Purnia in 'Sustainable Pet Food'.
 - Specialized Matt finish PET with high haze printing effect in 3kg & 12kg pouches for Fidele in 'Food'.

- Asepto holographic pack for 'Electral Z+ (ORS+Zinc Solution)' ready-to-drink OTC product by FDC with formulation manufactured by Halewood Laboratories in 'Pharmaceutical & Medical'.
- Oxygen Barrier Coatings for flexible packaging application; Flexgreen NW Series 'UV LED Inks' for Label Industry; and Water-based white adhesive 'Flexbond WB White' for flexible film & paper laminates used in food and non-food packaging applications in 'Packaging Materials & Components'.
- 'F-PGS' Transparent high barrier polyester film for Food & Beverage packaging applications; & 'F-MSH' Super Matte polyester film for Printing and Laminating applications in 'Packaging Materials & Components'.
- Centre seal pouch making machine with registered holographic center strip for flexible packaging applications in 'Packaging Machineries'.
- Security Hologram with Registered Printing for Man Matters in 'Packaging Materials & Components'.
- Recognized with Mahatma Award in 'CSR Excellence and Sustainability' for its impactful work on Water Conservation and Resource Management in Noida villages.
- Chemicals Business won a Platinum award at Apex Green Leaf Award 2020 for 'Environment Excellence'.

7. FINANCIAL & OPERATIONAL PERFORMANCE- OVERVIEW

(Rs. in Crores)

	2021-22		2020-21	
	Consolidated	Standalone	Consolidated	Standalone
Total Income	13236.79	5720.59	8914.87	4655.41
Profit before Finance, Cost, Depreciation & Tax	2279.99	679.66	1826.99	766.03
Profit before Tax	1382.30	271.42	1142.19	354.10
Profit for the Year	1098.26	222.33	842.90	230.44

8. OPPORTUNITIES, KEY TRENDS & THREATS

Opportunities

Rise in demand from various end-use industries and increase in e-commerce sales drive the growth of the global flexible packaging market. On the other hand, stringent regulations concerning packaging restrain the growth to some extent. However, sustainable and new flexible plastics packaging solutions are expected to create lucrative opportunities in the industry.

The technologies in flexible packaging have undergone significant change in recent years, with semi flexible packaging to advance flexible packaging. The rising wave of new technologies such as bio plastics based flexible packaging are creating significant potential in food and beverage, cosmetic and toiletries, and healthcare applications, due to their better protection and recycling benefits.

As an industry, Flexible packaging is robust and growing rapidly, with innovation, sustainability, and market differentiation driving growth. It is a trend that continues to gain great popularity. Technological advancement in flexible packaging materials make them suitable to far more consumer products today.

Flexible Packaging: Market Dynamics

Driver: Cost-effectiveness and Increased product shelf-life

Due to busy lifestyles, the demand for convenient products has increased, thus leading to a rise in demand for flexible packs. Flexible plastic packaging requires fewer resources and energy for packaging; hence, flexible packs are available at low costs and occupy 35% less retail shelf space, rendering them cost-effective as compared to other forms of packaging. Additionally, there has been a gradual shift in consumer choice from traditional methods of preparing food at home to buying packaged products (**Source: <http://packagingnewsletter.com/>**)

Significant increase in the packed food products during COVID-19 pandemic

During COVID-19 pandemic, people are resorting to panic-buying and bulk stocking daily staples, FMCG, and fresh food through e-commerce & online channels due to fear of lockdown, which leads to an increase in the demand for flexible plastic packaging solutions.

Pouches widely preferred for flexible plastic packaging

The pouches segment is projected to be the largest market for flexible plastic packaging. Primarily because of the increase in the demand for these type across various applications in food, beverage, pharmaceutical, and personal care & cosmetic industries. The increase in the demand for pouches can be attributed to the rise in the demand for lightweight and convenient packaging solutions.

APAC region to lead the global flexible plastic packaging market by 2025

The Asia Pacific region accounted for the largest market share in 2019. Factors such as improving global economy, expanding working population, rising domestic demand for ready-to-eat & convenience food products are expected to boost the market for flexible plastic packaging. The market for flexible plastic packaging in APAC is growing in the food, beverage, pharmaceutical, and personal care & cosmetics industries due to the functional properties offered by flexible plastic packaging, such as safety, cost-effectiveness, durability, strength, lightweight, environmental-friendliness, and handling convenience.

Threats

Poor Infrastructure facilities for recycling

Recycling of plastic packaging waste is a process that requires time consuming state-of-the-art infrastructure facilities. However, some parts of the world lack these facilities for recycling. Even in developed countries such as the US, the problem of sub-standard infrastructure for recycling persists. Every year, in the US itself, recyclable containers worth more than USD 11 billion are thrown away due to a lack of recycling facilities. According to the UN Environment Programme, the world produces around 330 million tons of plastic waste each year. To date, only 9% of the plastic waste ever generated has been recycled, and only 14% is collected for recycling now. The existing machinery infrastructure is ill-equipped to handle plastic waste. (Source: <https://www.marketsandmarkets.com/>)

Immense Competition from the domestic and international player

The Flexible Packaging Market is highly competitive owing to the presence of multiple vendors in the market. The market appears to be moderately concentrated with the major players adopting strategies such as product innovation, mergers, and acquisitions in order to stay competitive in the market.

Regulatory constraints

Due to stringent government regulations, changing consumer preferences, and environmental pressures, manufacturers are steering their strategies toward circularity and leveraged new plastic technologies to develop recyclable and sustainable solutions that include specific properties such as oxygen, moisture, light, puncture, and chemical resistance, and easy-tear propagation. Key focus areas for manufacturers include the development of alternative bioplastics solutions such as polybutylene succinate and biopolypropylene, along with the price and disposal of bioplastics.

Global Pandemic

With the recent outbreak of COVID 19, the flexible packaging manufacturers are facing supply chain disruption along with decreasing manufacturing at the site in many parts of the world. To ensure the smooth flow of supply chain, the global food safety initiative (GFSI) certification programs are providing six-month certificate extensions by conducting a remote audit and risk assessment pertaining to COVID-19 such that the company can approve a new supplier location without an on-site audit to meet the demand (Source: <https://www.globenewswire.com/>). These are continually evolving and changing trends that can be very challenging for companies since they require change and innovation,

Further, prices of crude oil have increased sharply amid the Russia-Ukraine conflict. Although the prices have declined from the recent multi-year high levels, volatility is continuing.

9. FUTURE OUTLOOK

Flexible packaging owing to its peculiarities such as lightweight, flexibility, easy to dispose, ease of mobility, minimal space requirement, and resealing has been very profitably capitalizing upon relentlessly mounting population and globally innovating consumption trends. Owing to such developments and economical traits, flexible packaging market has found a tremendous scope of application in Food & Beverage, domestic consumables, pharmaceuticals, and other sectors in which extended shelf life of products is important. Catalyzed by advancements in packaging

technology, the global demand of flexible packaging material is exhibiting strong growth. Moreover, the popularity of flexible packaging among consumers has also increased as it is a cost-effective alternative for storage issues, minimizes product wastage along with keeping the food safe and healthy. The pharmaceuticals and nutraceuticals industry have also been driving the demand of flexible packaging as it provides such industries with a sustainable and recyclable alternative that are based on polymers. Other factors that are currently driving the market include customizing ability, safety assurance, reusability, transparency, reliability, etc. The flexible packaging world has become more complex and is facing significant change that will create both challenges and opportunities. Supply chain disruption, rising material costs, technology changes and sustainability are areas of concern. Increasing consumer inclination towards on-the-go and online food delivery is fueling flexible plastic packaging demand across the world. According to Allied Market Research, the global flexible packaging market is expected to reach USD 325.6 billion by 2030, growing at a CAGR of 6.2% from 2021 to 2030. Cost-effectiveness and rise in product shelf-life and an increase in demand from the food & beverage end-use industries coupled with a surge in e-commerce sales are the prime factors that drive the market growth (**Source: <https://www.printweek.in/>**).

Factors Influencing the Flexible Packaging Market:

- *The food and beverages aisle in the supermarkets is filled with a variety of packaging structures including cartons of milk, square boxes of cereal, glass jars of peanut butter, and bags of chips. These packaging techniques have been popular for years, but things are slowly changing in the packaging industry all thanks to the advent of flexible packaging*
- *Hot drinks, beauty, home care, and personal care products require flexible packaging. The growing demand for these products will accelerate the growth of the global flexible packaging market.*
- *The food industry is witnessing a surging demand for sustainable packaging that assures transparency and food safety. Thus, it will benefit the flexible packaging market.*
- *Flexible packaging products find their wide applications in the healthcare and personal care segment. The growing demand for novel drugs will drive the overall flexible packaging market forward. In addition, increasing demand for personal care products will accelerate the growth of the flexible packaging market globally.*
- *Flexible packaging gained popularity due to several environmental advantages compared to other packaging types. With flexible packaging, brands can save packaging costs and reduce the overall use of material waste. Moreover, with the advancements in technologies, flexible packaging is more concerned about environmental impact.*

Globally, the Asia-Pacific flexible packaging market is forecast to grow at the highest CAGR. It is owing to the rapid growth of end-use industries of flexible packaging, such as food and beverages and medical. Growing healthcare expenditure and rising demand for packed food products will drive this regional market forward. Furthermore, the growing demand for high-quality products with longer shelf life will offer ample growth opportunities for the flexible packaging market. Furthermore, growing initiatives to curb the use of plastics will be opportunistic for the Asia-Pacific flexible packaging market.

Challenges:

The challenges associated with the recycling of flexible packaging products may limit the growth of the market. Flexible packaging companies are expected to face new challenges as more countries impose strict laws against the use of plastics in packaging. For instance, the European Commission is planning to make use of recyclable and reusable plastic-based packaging. Thus, the rising focus of governments towards promoting sustainable solutions will fuel the growth of the global sustainable packaging market.

10. INTERNAL CONTROL SYSTEM, THEIR ADEQUACY AND OPERATIVE EFFECTIVENESS

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Some significant features of the internal control of systems are:

- The Audit Committee of the Board of Directors, comprising of independent directors and regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any;
- A well-established, independent, multi-disciplinary Internal Audit team operates in line with governance best practices. It reviews and reports to management and the Audit Committee about compliance with internal controls and the efficiency and effectiveness of operations as well as the key process risks.

The Company has also laid down an adequate system for ensuring legal compliances. Both the Internal Financial Control and Legal Compliance Systems are subject to review by the Management in respect of their adequacy and operational effectiveness. These systems in turn are also reviewed by the Internal Auditors, Statutory Auditors and the Audit Committee.

11. RISK MANAGEMENT

As a global leader in the flexible packaging business and operating in multiple geographies, the Company's businesses are exposed to a wide range of risks. Therefore, it is essential to have the necessary systems and a robust governance framework in place to manage risk, while balancing the risk-reward equation expected by stakeholders. In order to remain competitive and ensure sustainable success, UFLEX continuously monitors the macroeconomic environment and developments in the flexible packaging industry as well as internal processes to identify risks. Risk management is an essential part of the internal control system of the Company and an active means to analyze and manage opportunities and threats related to the business strategy and operations. Risk may be caused by the Internal and External factors and the occurrence of certain catastrophic acts. These may impair the assets of the Company which may adversely influence the achievement of organization strategies, operational & financial objectives, earning capacity & financial position.

The Company recognizes that enterprise risk management is an integral part of good management practice. The effective risk management involves safeguarding the assets of the Company, achievement of organizational goals and protecting the earning capacity and financial position of the Company. The Company has a Risk Management Committee which plays an important role in supporting the Board in the oversight and management of risk. The Risk Management Committee oversees the effectiveness of the risk management framework.

The Company has formalized & documented a detailed Manual on Internal Financial Control covering each activity involving Financial and Operational transactions, the probable risk underlying those activities and the control tools to prevent such risks either through manual or automated process.

As Management is primarily responsible for the designing, implementation, maintenance, adequacy, monitoring & control mechanism and the operating effectiveness of the Internal Financial Control, the Internal Financial Control is subject to review by the Internal Auditor(s). They review the adherence, adequacy and effectiveness of the Internal Financial Control operating in the Company and Legal Compliances by the Company of the applicable laws. Based on their review they submit detailed reports covering their suggestions, recommendations & observations to the management and the Audit Committee.

The detailed Audit Reports of the Internal Auditors are reviewed by the Audit Committee comprehensively with the Management and the Internal Auditors. Based on their review, they make necessary directions if any to the Management and / or to the Internal Auditors for the actions / steps to be taken by them. The brief of the report is also given to the Board by the Chairman of the Audit Committee.

All the Financial, Operational and Legal risks associated at transactions and operational levels are taken care through the above systems. In addition to these, there are other risks which arise during the course of decision making on strategic and corporate financial matters of the Company.

The Company has identified following nature of risks which may be associated with the decisions on Strategic & Corporate Financial matters of the Company.

- Political, Social and Economic Risks
- Market Risk
- Technology Selection Risk

- Capital Structuring Risk
- Exchange & Interest Rate Risk
- Credit Risk
- Liquidity Risk
- Foreign Currency Risk
- Commodity Price Risk

The Management of the Company evaluates the above risks before taking any decision on strategic & corporate financial matters. A detailed report is submitted by the management on these matters to the Audit Committee and the Board for their review.

On the basis of the aforesaid Risk Management Process followed by the Company the Risk Management Committee & Audit Committee review & evaluate in detail the establishment and adherence of the Company's Enterprise Risk Management System and also review & evaluate the adequacy and efficacy of the same.

The Board reviews the recommendation of the Audit Committee on the establishment, adherence, adequacy and efficacy of the Company's Enterprise Risk Management framework.

12. COMPANY'S STANDALONE AND CONSOLIDATED FINANCIAL PERFORMANCE & ANALYSIS

Results of Operations

(Rs. in Crore)

Particulars	STANDALONE		CONSOLIDATED	
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
INCOME				
Revenue from Operations	5673.78	4633.35	13127.13	8888.90
Other Income	46.81	22.05	108.98	24.66
Share in Profit of Associates for the Year	--	--	4.30	5.66
Share in (Loss) of Joint Venture for the Year	--	--	-3.62	-4.35
Total Income	5720.59	4655.40	13236.79	8914.87
EXPENDITURE				
Cost of Materials consumed	3756.35	2632.28	8021.74	4680.67
Purchase of Stock-in-Trade	29.62	17.29	101.64	58.95
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	58.56	58.56	-363.87	-32.61
Employee benefits expense	506.79	459.17	924.95	798.98
Other expenses	847.33	747.92	2293.13	1609.49
Expenses Allocated to Self Constructed Assets	-17.39	-25.71	-20.78	-27.59
Total Operating Expenses	5181.26	3889.51	10956.81	7087.89
EBIDT	679.66	766.03	2241.88	1826.99

Segment-wise performance has been disclosed at Note No- 44 of the financial Statement

13. SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Consolidated Basis

Financial Ratio	FY 2021-22	FY 2020-21	Change (%)	Reason for change
NIL				

Standalone Basis

Financial Ratio	FY 2021-22	FY 2020-21	Change (%)	Reason for change
Operating Profit Margin	11.9%	16.5%	-28%	The significant Change in these ratios are due to the additional borrowings by the Company during the year for Its Expansion Project at Dharwad, Karnataka.
Debt to Equity Ratio	0.65	0.52	25%	
Return on Net Worth	8.6%	9.7%	-11%	

Details of other significant changes in key financial ratios, along with explanations thereof have been disclosed in Note no. 51 of the Notes on the Financial Statements (Standalone) for the financial year ended 31st March 2022.

14. HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS

The Company considers its Human Resources Development a critical factor to its success and continuously focuses on its development with various people initiatives. The learning and development framework focuses to enhance adherence to operating & business processes. The Company strives to encourage diversity in workforce and believe in building the career of its employees through focused interventions. It encompasses all aspects of people management, communication and is pivotal in building a positive culture. Learning opportunities contribute to better employee engagement, increased productivity, reduced employee turnover and add to a more positive culture. Operating processes for entire business operations are constantly reviewed for improvement keeping the customer delivery in mind. These processes are being kept at the center for training the workforce as the Company believes that multi-skilled workforce is the first and most critical element to the success.

The Company endeavors to ensure the well-being of all its employees. The safety, health and work life balance of employees are extremely important. As it is evident that the pandemic has spread every corner across the globe and affected the human life in every way, the Company has taken various measures to take care of the livelihoods of its employees, their safety and security. The steps include providing masks, hand sanitizers, disinfectants, conducting regular temperature checks and being very vigilant on workers and essential visitors at our operational facilities. The Company has also emphasized on providing medical facilities to workers inside the factory premises, and sanitization and disinfection across its work facilities.

The Human Resource Development continues to be focused on improving employee productivity, reducing employee cost and building necessary skillsets whilst building employee motivation through varied employee engagement initiatives. To augment technical strength in existing business areas, various technical trainings covering existing business are being conducted on a regular interval. The Company had 6910 permanent employees in Indian Operations as on 31st March, 2022. The Company maintains healthy, cordial and harmonious industrial relations at all level and in the Financial Year 2021-22, industrial relations across the Company were cordial & harmonious.

15. ENVIRONMENT, OCCUPATIONAL HEALTH & SAFETY

The protection of environment and the health and safety of its customers, its people and the communities in which we live and operate is an integral part of Company's mission to become the best among the global players in the flexible packaging industry. The Company is fully committed to providing a safe and healthy work environment in all its manufacturing units across the globe. It is Company's firm belief that safe and healthy workplace not only boosts people's morale but is also a precondition for greater productivity at workplace and keeping its business operations environmentally sound. The Company will seek to continuously improve its practices in light of advances in technology and new understandings in environmental science, health and safety. The collective endeavour of the Company's employees at all levels is directed towards sustaining and continuously improving standards of environment management, and occupational health & safety in an endeavor to meet and exceed international benchmarks. For fulfilling the obligation of providing a safe and healthy work environment, the Company continually work towards identifying, assessing and managing environmental impacts and health & safety risks of all activities & products.

ANNEXURE – ‘E’ PARTICULARS OF REMUNERATION

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

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Non-Executive Director	Ratio to Median Remuneration
Shri Achintya Karati (upto 31 st March, 2022)	2.67
Smt. Indu Liberhan	2.00
Shri Tara Sankar Bhattacharya	1.20
Shri Arvind Mahajan (upto 2 nd August, 2021)	0.27
Shri Pradeep Narendra Poddar	1.33
Shri Alok Sabharwal	0.53
Shri Paresh Nath Sharma (w.e.f. 11 th February, 2022)	0.27
Executive Director	
Shri Ashok Chaturvedi	386.79
Shri Jagmohan Mongia	53.15

- (b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% increase in Remuneration
Non-Executive Director	
Shri Achintya Karati (upto 31 st March, 2022)	0.00
Smt. Indu Liberhan	7.14
Shri Tara Sankar Bhattacharya	0.00
Shri Arvind Mahajan (upto 2 nd August, 2021)	-66.67
Shri Pradeep Narendra Poddar	11.11
Shri Alok Sabharwal	300.00
Shri Paresh Nath Sharma (w.e.f. 11 th February, 2022)*	N.A.
Executive Director	
Shri Ashok Chaturvedi (Managing Director)	-27.33
Shri Jagmohan Mongia (Whole-Time Director)#	787.04
Key Managerial Personnel (KMP)	
Shri Rajesh Bhatia (CFO)	11.14
Shri Ajay Krishna (Company Secretary)	5.60

Note:

* Shri Paresh Nath Sharma was appointed as Independent Director of the Company on 11.02.2022; therefore, it is not possible to ascertain % increase in remuneration.

Shri Jagmohan Mongia was appointed as Whole-Time Director of the Company on 11.02.2021; therefore, percentage increase in his remuneration is exponential.

- (c) **The percentage increase in the median remuneration of employees in the financial year:** 0.06%

- (d) **The number of permanent employees on the rolls of Company**

As on 31.03.2022 employees are 6910, However, the data taken for calculation of median remuneration of the employee is 7952.

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

Average increase in salary of employees in 2021-22 was approximately 8%. Percentage increase in the managerial remuneration for the year was -23.24%.

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

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance base variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

For & on behalf of the Board

ASHOK CHATURVEDI

Place : Noida

Chairman & Managing Director

Dated : 28th May, 2022

DIN : 00023452

ANNEXURE 'F'
**INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION
AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES
ACCOUNTS RULE, 2014 AND FORMING PART OF DIRECTORS' REPORT**

A. CONSERVATION OF ENERGY

In today's world, energy is not only the future - it drives everything in the present. As a global society, we generate and use more energy than ever before, and the demand for energy is continually increasing. While we have been able to expand energy production to keep up with demand, there are physical, geographical, and economic limits to how much can be produced. What's more, greenhouse gas emissions that accompany many forms of energy generation (such as using fossil fuels for electricity) are accumulating in the atmosphere, bringing the potential for climate-related consequences. This is especially true for fossil fuels, including natural gas. One of the ways to deal with the constantly expanding need for energy and the issues it brings is to focus on energy conservation. Energy conservation is the need of the hour to stay in the competitive world and is the way of doing Business. It improves the overall Productivity and profitability to compete in the Business. It helps to opens up the opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources.

India is one of the fastest growing economies among countries in the world and has witnessed rapid increase in the energy consumption. The rise in energy consumption is mainly attributed to rapid economic growth, access to affordable energy, increased industrialization, building infrastructure and other end uses of energy. In recent years, India has emerged as the global leader in addressing global climate change and promotion of sustainable development. Energy efficiency across all sectors of the economy is essential to enable decoupling of energy supply growth from economic growth, while ensuring that energy service demands are met.

Uflex have been focusing upon energy conservation as a part of Sustainability Drive. The Initiatives for Energy conservation may be in reducing Power and Fuel (KWH,HSD/PNG) consumption by maximizing the usage of Renewable Resources, optimizing the Manufacturing Processes, Improving the Production capacity of Equipment's, Upgrading Equipment's that uses lower Energy, etc. These Sustainability Initiatives not only helps to provide the competitive Edge to the competitors but also improves the Bottom line of the organization. Energy conservation is the need of the hour to stay in the competitive world and is the way of doing Business. It improves the overall Productivity and profitability to compete in the Business. It helps to opens up the opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources.

(a) Energy conservation measures taken

**INITIATIVE TOWARDS ENERGY CONSERVATION
BY UFLEX LIMITED DURING FINANCIAL YEAR
2021-22**

The gap between electrical energy supply and demand is continuously increasing despite huge outlay for energy sector since independence. This gap between supply and demand of energy can be bridged with the help of energy conservation which is considered as a new source of energy and environmental friendly.

Currently, the primary energy sources in our country are fossil fuels like oil, coal, and natural gas. However, fossil fuels are non-renewable resources that are created deep down within the Earth's surface over the course of millions of years. We're using them so fast that they will eventually become exhausted. What's more, fossil fuels negatively impact the environment. Coal is the number one pollutant in the world. Burning it leads to carbon dioxide emissions that contribute to global warming. Plus, burning coal causes acid rain, smog, and soot. It even creates toxic air emissions, which is linked to congenital disabilities, cancer, and other severe health-related conditions. When you limit or conserve your energy usage, you lower your impact on the environment. The longer we go without making significant changes, the greater the threat of global warming and climate change become to our daily lives. When we burn fossil fuels, they create an incredible amount of greenhouse gas emissions. These gasses, which include carbon dioxide, add up faster than the atmosphere can absorb them, which prevents Earth from being able to maintain a stable temperature.

Energy efficiency has become the key driver for sustainable development in many economies across the world. The intense focus on combating climate change through reduction of greenhouse gas emissions and associated legislative demands is set to transform business practices and economies in the next few years. Strategic energy management practices and energy-efficient business operations will be paramount in achieving these goals.

The energy conservation is cost effective with modest investment. There is a good scope of energy conservation in various sectors, viz domestic, industry, agriculture. The planners have already started appreciating the role and significance of energy conservation in future energy scenario of India. The Company have taken several initiatives across production Blocks and utilities to boost its energy efficiency in order to achieve its commitment

towards reducing absolute energy consumption and moreover specific energy consumption of various products in terms of SPC (Specific Power consumption) and SFC (Specific Fuel consumption). The Company's Energy management system is now certified with ISO 50001: 2018 since 2 years.

1. Reduction in Chiller Load with the installation of CLCT:

The Company has installed Close Loop Cooling Tower of 225 CMH, in order to reduce the chiller load by 100 TR. Process load which was cooled with the chilled water is now cooled by CLCT. This has resulted in energy savings 65 KWH ie 40 Lacs per year.

2. Waste Heat Recovery with VAM Machine:

The Company has invested on installation of VAM (Vapor Absorption Machines) of 970 TR for tapping the Waste heat from exhaust Gases of Gas Generator. Chilled water generated from the VAM will results in stoppage of Electrical Chillers.

3. Installation of Gas Gen sets in order to minimize operation of Oil based Gen sets:

The power generation on the Gas fuel was increased from 62% to 100% in order to minimize the operations of liquid fuel based Gen sets in order to avoid polluting the environment.

4. Installation of Auto tube cleaning system in VAM

With the installation of Auto tube cleaning system in VAM, we are able to control the condenser approach Temperature within limits and this has resulted in saving of electrical energy.

5. Drive to plug air leakages and heat Insulation Jobs.

Special drives were carried out in order to Identify and plugging air leaks in various plants. This also has resulted in saving of compressor power. Likewise, condition of insulation was also checked and damaged surfaces replaced with new one. The whole idea is to prevent the energy losses.

6. Replacement of old 03 MVA Transformer

The Company has replaced the one old (> 26 Yrs. old) 33/0.433 KV 3 MVA transformer with new high efficiency upgraded transformer (with less losses)

7. Replacement of Mercury Vapor Lamps

Replacement of Mercury Vapor Lamps of 240 W with LED Lamps of 40 W in INK section resulting into the Energy consumption by 20736 KWH/annum. The Company utilized the same FLP Lamp Fittings and provided LED Lamps with some minor modification in the Fittings.

8. Cooling Towers

Three Cooling Towers Fan Interlock with Temperature controller to realize the Power reduction by 55972 KWH/annum for 5 Months during winter.

(b) Future Proposals for Energy Conservation

Energy efficiency is a cornerstone for positive impact on environment and sustainable growth. The Company continued to improve across all facets of energy management which include generation, distribution and consumption.

1. The Company is planning to install 02 more Close Loop Cooling Towers of 225 CMH, to reduce the chiller load by 200 TR. This will result in savings by reducing electrical bills of about Rs. 80 Lacs annually.
2. The Company is in process of identifying old conventional power consuming motors and planning to replace them with energy efficient motors.
3. The Company will continue its drive to review its existing Insulation on the pipes/ducts in order to minimize the energy losses.
4. The Company have constructed in house Energy Audit Team which will identify high end energy consuming machines & tap the potential to conserve energy.
5. The Company have identified new generation fans which can reduce its power consumption by 30%. As a confidence building exercise, one of centrifugal fans will be replaced with energy efficient axial fan for actual assessment.

(c) Impact of measures at (a) & (b) above for reduction of energy consumption

The measures taken have resulted in savings in cost of production, power consumption, reduction in carbon dioxide emissions & processing time.

(d) The steps taken by the Company for utilizing alternate source of Energy

The Company is using Piped Natural Gas, as a Fuel for heat generation in lamination process.

(e) The Capital Investments on Energy Conservation Equipment

The Company has not made any major capital investments during the year 2021-22.

B. TECHNOLOGY ABSORPTION

I. The efforts made towards Technology Absorption

The Company continued to develop through its creative edge, in a highly competitive industry by Investing in cutting-edge technology for research and development of products in accordance with global trends. The Company employs design thinking to connect with its consumers' evolving their

requirement. During Financial Year 2021-22, The Company added a range of value-added features to its existing products and successfully created differentiation for our products in the market. R&D team works hand-in-hand with Production and Marketing team to introduce and establish new products and to ensure proper Quality, Output, Cost and efficiency. The Company's futuristic, high-quality products are its brand value. Financial Year 2021-22 witnessed the launch of several new products and certification in IMS and National award to respond to the needs of its customers both in the domestic as well as international markets, with concurrent commitment to improve quality and productivity. The capability to develop new products boosts the morale and the culture of the organization.

Also, before commencing trials on the main plant, all new polymers, coating chemicals, are first tested on Lab / pilot scale in extensively developed test facilities. All the new product trials are taken under supervision of senior R&D personnel.

II. The benefits derived like product improvement, cost reduction, product development or import substitution

R&D has developed inline/offline coated and Coextruded/Compounded master batches products and Water/Solvent based different type of coatings like Process Technology for product improvement, cost reduction, product development

Product Improvement:

- 1) Product improvement done in **F-ISB film (Blister grade polyester film)**, Especially designed to meet stringent requirements of cold forming for more depth creation with Alu-Alu and the advantage to replace existing PVC film which is carcinogenic and not green and also replaces other side OPA film of Alu-Alu structure, which is so costly.

Approx. 12.7 MT dispatched material generate the 21.43 lacs value addition.

Excepted market potential of this film is approx. 250 MT/month and it will be creating approx. 4.70 Cr/month value addition.

- 2) **F-SBM-M** – New functional Cross linker has been introduced in F-SBM grade to increase the bond strength and barrier properties

Cost reduction:

F-PGS 12 μ (Transparent High Barrier Polyester Film) Offline coated product

F-PGS Transparent high barrier PET Film with excellent Oxygen barrier 1.8 cc/m²/day Chlorine Free and water base eco-friendly coating.

This product is suitable for Dry, Chilled food and liquid packaging. Retain OTR at elevated humidity.

R&D has developed new formulation in-house; which reduced the cost from 4.6 to 3.5 USD/kg.

Product Developed:

1) **B-TGM - 19 μ (Outstanding Oxygen Barrier Transparent BOPP) Offline coated product**

The newly developed B-TGM BOPP film to address the barrier requirements for oxygen, moisture and atmosphere-sensitive products for Pouches and Packaging Application I.e. Oxygen-sensitive foods like dry-fruits & nuts need to be packed in a manner that helps retain their freshness and quality for long time.

Approx. 42 MT dispatched material added the 1.51 crore value creation with enormous margin approx. 85 Rs/kg in product.

Target market potential is 300 MT/month will be increase value addition approx. **10.8 Cr/month**.

2) **B-TEM - 26 μ (Transparent excellent moisture barrier BOPP film) Offline coated product**

Food packaging requires a strong packaging structure that protects the content from a lot of extraneous factors that could spoil the product. Responding to the packaging requirements of food brands especially ones that need to pack dry powders like instant soup, masalas, and sandwich application, UFlex has developed B-TEM, a high barrier BOPP film that provides an excellent oxygen and water barrier and making it a much improved and higher barrier version of the previous avatar of the film.

This mono-material film developed with coating on one side and corona treatment on the other side stands and high on sustainability quotient due to it being recyclable. It is suitable for sandwich application and surface printing, especially for matte varnish, and offers reverse printing with BOPP and CPP grades.

Approx. 4 MT dispatched material added the 18.0 lacs value addition with total net margin is 3.2 lacs and Target market potential is 50 MT/month.

3) **F-LCF -12 μ (one side LCF chemical coated other side Untreated polyester film) Inline coated product**

F-LCF Specially designed for low COF (0.3) with Very good transparency & clarity.

Approx. 2.5 MT material dispatched to ITU and Invoicing done of 2.83 lacs.

4) **B-TUH-M- 25 μ (Robust Seal Performance Heat Sealable, Metallized BOPP Film) Functional raw material and Alu-bond metallization**

High-barrier Metallized Recyclable BOPP Film 'B-TUH-M' for Food Packaging Applications: Low-unit packs (LUP) and Multi-unit packs

(MUP) such as Biscuits, bakery & snacks often witness quick consumption. These packs require a packaging structure that is made using a metallized film that offers superior oxygen (<10cc/m²/day) and moisture barrier (<0.10 gm/m²/day) with robust seal performance. B-TUH-M, a high barrier and robust seal metallized BOPP film has been developed by UFlex to replace the three-layered structure with two-layers in numerous seal packaging formats especially multi-unit packs. The film offers good optics, excellent printability, and consistent slip & anti-static properties.

The high barrier film's structure imparts excellent high seal strength of 1500 gm/25 mm, hermetic seal, high & broad hot tack and low SIT. The film also offers good metal adhesion for brilliant metal appearance, good extrusion bond and excellent resistance to metal cracking. Due to its ability to be recyclable and reduce the layers in the laminate, this sustainable film is greening Company's portfolio even further.

Approx. 40 MT material dispatched for domestic and export market.

5) B-TSS- 18µ (Robust Seal Performance Heat Sealable, Transparent BOPP Film) Functional raw material

B-TSS Transparent BOPP Film for High Temperature Resistance – Aesthetics has been the trump card for brands to position their products distinctively on the retail shelves and outperform the competition. B-TSS Transparent BOPP film developed by UFlex' packaging films business offers robust heat seal strength of 2000 gm/25 mm, good optics, consistency slip and antistatic and opens doors for a variety of printing possibilities.

Approx. 90 MT material dispatched.

Future Projects which are under process

PET based Silica master batch:

40,000 and 60,000 ppm silica master batch planned to replace 6,000 and 10,000 ppm silica resin it is cost reduction project.

Aluminium foil replacement metallized Polyester film:

This is replacement of Al- Foil and 0.1 Barrier properties targeted to achieved.

Thermoformable PET film (180 micron)

This project taken to replacement the PVC film, which is carcinogenic and not green by polyester film for Thermoforming blister application.

Functional coated products developments - Offline coated product:

R&D has plan to develop function coated products for polyester and BOPP film i.e. Acrylic

Coating on BOPP (Single and both side), PVDC Coated Polyester Film (Single and both side), Alternate side PVDC and acrylic coating, LTS and MOB coated film.

The market potential of functional coated products – 800 MT/month.

High seal strength in polyester Film (>2.5 kgf/Inch):

Aim to increase the seal strength more than 2.5 kgf/Inch in polyester film for lock seal application with seals to itself for mono material solution.

Seal and easy peel polyester Film by Master batch root:

Aim to develop polyester film by master batch root to eliminate coating process and cost effective.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- N.A

IV. The expenditure incurred on Research and Development – 2021-2022 - Rs.147.36 Lacs

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports:

Initiatives taken to increase exports; development of new export markets for products and services and export plans:

The Company is at present exporting its products to USA, Europe, Asia Pacific, Middle East, Africa & other countries. The Company is continuously exploring possibilities of exporting products to different markets.

2. During the period under review:

(Rs. in Crores)

a) Earnings in Foreign Exchange			
i)	F.O.B. value of export of manufactured/ Stock in Trade		792.15
ii)	Service provided		9.52
b) Expenditure			
i)	CIF Value of Imports		1467.66
ii)	Expenditure in Foreign Currency		14.81

For & On behalf of the Board

Ashok Chaturvedi

Place : NOIDA Chairman & Managing Director
Dated : 28th May, 2022 DIN: 00023452

ANNEXURE – ‘G’

BUSINESS RESPONSIBILITY REPORT

As per the provisions of Regulation 34(2)(f) of the Listing Regulations read with the SEBI’s Circular and Notification dated November 4, 2015, December 22, 2015 & December 26, 2019, The Securities and Exchange Board of India vide “The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015” as amended from time to time, has mandated the inclusion of a “Business Responsibility Report” (BRR) as part of Company’s Annual Report for top one thousand listed entities based on market capitalization at the BSE Limited (BSE) and the National Stock Exchange of India Ltd. (NSE) as on March 31 of every financial year in compliance of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, as notified by the Ministry of Corporate Affairs (MCA), Government of India.

The Business Responsibility Report of the Company includes its responses to questions on the practices and performance on key principles defined by Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance, and stakeholder relationships.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L74899DL1988PLC032166
2.	Name of the Company	UFLEX LIMITED
3.	Registered address	305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash – I, New Delhi – 110 048
4.	Website	www.uflexltd.com
5.	E-mail id	secretarial@uflexltd.com
6.	Financial Year reported	01-04-2021 to 31-03-2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	22209 – Manufacture of other plastics products n.e.c.
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> • Flexible Packaging Material • Engineering Business
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	Five (5) <ul style="list-style-type: none"> • Dubai, UAE • Mexico • Egypt • Poland • USA
	(b) Number of National Locations	Four (4) <ul style="list-style-type: none"> • Noida, Uttar Pradesh • Bari Brahmana, Jammu • Sanand, Gujarat • Dharwad, Karnataka
10.	Markets served by the Company – Local/State/ National/International	Asia, Europe, America & Africa

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	72,21,14,860/-
2.	Total Turnover (INR)	Rs. 5673.78 Crore
3.	Total profit after taxes (INR)	Rs 222.33 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% (Rs. 396.75 Lacs) of average profit for previous three years in respect of standalone UFLEX (computation as prescribed by the Companies Act, 2013). It includes previous year adjustment and amount transferred to unspent account.
5.	List of activities in which expenditure in 4 above has been incurred	Environmental Sustainability Eradicating Hunger & Improving Health Care

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the details of which have been in the Annual Report for the financial year 2021-22.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Subsidiary Companies do not participate in the BR initiative of the Company
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1.	Details of Director/Directors responsible for BR	
	(a) Details of the Director/Director responsible for implementation of the BR policy/policies	
	1.	DIN Number 0023452
	2.	Name Shri Ashok Chaturvedi
	3.	Designation Chairman & Managing Director
	(b) Details of the BR head	
	No.	Particulars
		Details
	1.	DIN Number (if applicable) 0023452
	2.	Name Shri Ashok Chaturvedi
	3.	Designation Chairman & Managing Director
	4.	Telephone Number 0120-4012345
	5.	e-mail id secretarial@uflexltd.com

List of Principles

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2. Principle-wise (as per NVGs) BR Policy/policies										
(a) Details of compliance (Reply in Y/N)										
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, Statutory policies are in conformity with the applicable provisions of the regulations of the Securities and Exchange Board of India and strictly aligned to various standards to achieve maximum stakeholders' interest.								
4	Has the policy being approved by the Board? if yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	N	Y	N	N	N	Y	N
6	Indicate the link for the policy to be viewed online?	https://www.uflexltd.com/policies.php Apart from the Statutory policies which are available on the website of the Company, other policies have been made available to the employees of the Company.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to relevant internal stakeholders. To cover all stakeholders, communication is an on-going process.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company does not carry out independent audit/ evaluation of working of the Policy by an external agency as of now.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

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

The Company does not have a Committee of Board for dealing with this matter specifically. However, aspects

of Business Responsibility are reviewed by the various other committees / CEO /Business Heads of the Company from time to time.

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

The BR Report for the FY 2021-22 may be accessed through the Company's website link: www.uflexltd.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

The Company believes in upholding the values of transparency, accountability and good governance. The Company has a Code of Conduct and Whistle Blower Policy which inter-alia cover Anti-Bribery and Corruption Directive and these Policies are only applicable to the Company. The Code of Conduct covers the Directors and Senior Management of the Company. The Company also encourages its Group/Joint Ventures/Suppliers/Contractors/NGOs/Others to practice the same in a fair manner.

The Company's Code of Conduct and Whistle Blower Policy are available on the website of the Company.

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

Three (3) complaints were received during the year 2021-22 from various stakeholders / shareholders, which were promptly attended. There are no complaints un-attended /un-resolved at the end of financial year. The Company did not received any significant external complaint in the last financial year.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Flexible Packaging Material (NIC - 22209 - Manufacture of other plastics products n.e.c.), constitutes approximately 94.47% of the total turnover of the Company. The Company being India's largest flexible packaging company and an emerging global player has been innovating and launching new products/technologies meeting the Client specifications. The Company understands its obligations on social and environmental concerns, risk and opportunities. Over 95 % of the portfolio of products manufactured by the Company are fully recyclable Flexible packaging material. Accordingly three main products of the company are as hereunder:

1. Biodegradable Packaging material.
2. Flexible packaging material with PCR (Post consumer recycled) content.
3. Moulded components used for in-house consumption using internally recycled granulates.

2. With respect to above point, please provide details in respect of resource use(energy, water, raw materials etc.) per unit of product(optional): a. Reduction during sourcing/production/distribution achieved since previous year through out value chain? b. Reduction during usage by consumers (energy, water) has been achieved since previous year?

Most Plants of the Company are designed for Zero waste discharge. Over 90 % of the waste generated in the manufacturing operations are recycled in-house. The Company deploys best technology for optimum utilization of resources. The Company takes proactive steps to control, reduce, treatment and efficient disposal/treatment of toxic and hazardous wastes during the manufacturing process and focuses on developing eco-friendly products which meet the best international standards. Further, the Company ensures that all processes, plant, equipment's, machinery and materials deployed are safe to the people as well as the environment.

The Company has also taken various energy conversion initiatives like Incineration for Heat recovery from waste, use of Pyrolysis Plant in order to recycle waste of laminates, Metalized PET and BOPP Films, Installation of VFD Chillers & Compressor, Waste Heat Recovery and Auto Tube Cleaning System on Chiller for reducing power consumption. Please refer the Conservation of Energy Section of the Annual Report for further details.

- 3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

It is important for the Company to manage the impacts of its product life cycle for the success of its operations. The life cycle of the product covers the entire value chain from sourcing of raw materials to product manufacture, distribution and consumption/disposal.

The Company focuses on environmental impacts of sourcing and continually works with the vendors and suppliers to reduce the same. We are aware that most of the vendors/suppliers for key raw material are working on sustainable basis. Transportation and logistics optimization is an ongoing activity to reduce the relative environmental impacts.

- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company encourages the sourcing of its raw materials from local economy and small vendors, as far as possible.

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

The company recycles OVER 90 % of the waste generated in the manufacturing process. As a responsible manufacturer of Flexible Packaging, UFlex, India's largest flexible packaging company recognized the need to recycle plastic waste more than two decades back and established recycling units in its plants that convert MLP Waste into Pellets. An added feature of the recycled material (pellets) is that it is re-used to manufacture industrial and household products like roads, outdoor furniture, paver tiles, ladders and many more such essential items. Thus, UFlex is helping create a circular plastic economy by keeping plastic 'In the Economy' and 'Out of the Environment'.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

- 1. Please indicate the Total number of employees.**

The total number of employees were 6910 as on March 31, 2022 in the Company

- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

The total contractual/temporary manpower employed were 2610 as on March 31, 2022 in the Company.

- 3. Please indicate the Number of permanent women employees.**

There were 171 permanent female employees as on March 31, 2022 in the Company.

- 4. Please indicate the Number of permanent employees with disabilities**

There were no differently abled permanent employees as on March 31, 2022

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

Presently, the Company does not have any employee association.

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

Not Applicable.

- 7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on 31st March, 2022
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

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

(a) Permanent Employees	100%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	--

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

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

In accordance with the CSR policy of the Company, the Company takes various CSR initiatives in the fields of education, healthcare, ecosystem restoration, environmental sustainability, community welfare for development & upliftment of the underprivileged sections of the society.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

The Company respects Human Rights of all relevant stakeholders and groups within and beyond the workplace including that of communities, consumers and marginalized groups. All practices and policies of the Company including engagement with suppliers, contractors etc., ensures human rights are honoured and protected.

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

The Company did not receive any stakeholders' complaints in the financial year 2021-22 for violation of human rights.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company is committed to improve Health & Safety of the society and protection of the environment, and the policy applies to the entire Company and doesn't extend to other entities. Uflex Limited also encourages its subsidiaries, vendors and dealers to take health, safety and environment friendly measures for better future.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, In order to address the global environmental issues like climate change, global warming, the Company has embedded many facets related to respecting and protecting environment in its operations and processes.

UFlex, a pioneer in Multilayer Plastic Manufacturing and Waste recycling, is scaling up its recycling strength to help build a circular economy, by the way of setting up two lines that will wash and recycle post-consumer waste and subsequently give a second life to plastics. This pilot plant in its Noida facility commenced its operations and is aimed to mitigate the piling plastic dumps in Delhi-NCR by recycling collected post-consumer waste PET Bottles and Multi-layer Plastic packaging into chips and granules, put into further use to make products with economic value. In line with its global sustainability campaign 'Project Plastic Fix', UFlex will steer its efforts towards keeping plastic in the economy and out of the environment, converting waste into wealth. Initiatives taken by the Company

to address the global environmental issues are also available at weblink <https://www.uflexltd.com/environmental-sustainability.php>. The company also has a board membership with a Global Organisation. Alliance to End Plastic Waste, in the Sustainability arena.

3. Does the company identify and assess potential environmental risks?

Yes, the Company from time to time assess various Environmental risk associated with its activities and its likely impact. The purpose of this procedure is to establish and maintain procedures for identifying environmental/Hazard aspect activities.

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

The Company does not have any specific project related to clean development mechanism but it has facilities to process, recycle and reuse the waste generated from the operations.

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

The company is committed to focus on reducing energy consumption as it opens up opportunities for innovation and improved efficiency, while reducing risks arising from price volatility and helping us manage natural resources. The Company have taken several steps across production units and utilities to boost its energy efficiency in order to achieve Company's commitment towards reducing absolute energy consumption and moreover specific energy consumption of various products. (Weblink: www.uflexltd.com)

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

Yes, emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year 2021-22.

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

None

PRINCIPLE 7: BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

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

- (a) Federation of Indian Chamber of Commerce and Industry(FICCI)
- (b) The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- (c) PHD Chamber of Commerce and Industry (PHDCCI)
- (d) Confederation of Indian Industry (CII)
- (e) PlastIndia
- (f) The Organisation of Pharmaceutical Producers of India (OPPI)
- (g) Indian Federation of Culinary Associations (IFCA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Your Company is associated with above institutions with an intention of mutual learning and contribution in development of processes. As and when required, the Company put forth its views on the issues faced by the industry with respective business forums and chambers.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

Yes, Uflex has a CSR Policy in line with Section 135/ Schedule VII of the Companies Act, 2013. On the basis of needs of the community around the projects, either observed or on the basis of requests, the initiatives for the benefit of society are chosen and implemented.

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

The CSR programs/projects of the Company are more generally run by outside agencies/organizations. However, some of the Projects are undertaken in-house.

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

The CSR Programmes/projects are monitored and reviewed periodically by the Corporate Social Responsibility Committee.

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

In 2021-22, the Company has spent Rs. 35.12 Lacs on community development projects under CSR initiatives and an amount of Rs.356.39 Lacs was transferred to CSR unspent account with Schedule Bank within 30 days from the closure of financial year as per provisions of section 135(6) after setting off an amount of Rs. 5.24 Lacs (excess spent on the CSR activities during the financial year 2020-21).

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

The Company undertakes CSR activities after assessing the needs of the community. Further, all CSR activities are rolled out directly to the society. The Company believes that they will benefit the society at large. This helps in increased reach as well as ensuring the adoption of initiative by communities.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

No customer complaints/consumer cases were pending as on end of financial year 2021-22.

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

Yes, the Company adheres to all product labeling and product information requirements as per the local laws.

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

No court case has been filed against the Company regarding unfair trade practices and/or irresponsible advertising during the last five years or pending as on end of the financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company has not carried out any formal consumer survey/ consumer satisfaction trends. However, the Company keeps track of responses / comments through various media channels which helps the Company to raise customer satisfaction levels, provide consistent product delivery experience and provide timely redressal to customer queries and concerns. The Company received numerous customer awards for contribution to their business such as quality, excellence, design development, best performance etc. which represents customer satisfactions. The details of all Awards and Accolades conferred upon the Company are provided on the company's website at <http://www.uflexltd.com/awards.php> and also in "Awards" section in Directors' Report.

ANNEXURE – ‘H’
SECRETARIAL COMPLIANCE REPORT OF UFLEX LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2022

I, **Mahesh Kumar Gupta**, have examined:

- a) all the documents and records made available to me and explanation provided by **Uflex Limited** (the “**Listed Entity**”),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this clarification, for the year ended **31st March, 2022** (“**Review Period**”) in respect of compliance with the provisions of:
 - i. the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and the Regulations, circulars, guidelines issued thereunder; and
 - ii. the Securities Contracts (Regulations) Act, 1956 (“**SCRA**”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“**SEBI**”);

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable as the Company did not issue any securities during the year under review**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as the Company has not bought back any of its securities during the year under review**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **Not applicable as the Company has not granted any Options to its employees during the year under review**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as the Company has not issued any debt securities during the year under review**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **Not applicable as the Company has not issued any Non-Convertible and Redeemable Preference Shares during the year under review**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

And circulars/ guidelines issued thereunder;

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

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

Sr. No.	Compliance Requirement (Regulations/ Circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
None			

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
None				

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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31 st March 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
None				

- e) The Listed Entity has suitably modified the terms of appointment of its present statutory auditors to give effect to para 6(A) and 6(B) of SEBI Circular dated October 18, 2019 bearing no. CIR/CFD/CMD1/114/2019.

**For Mahesh Gupta & Company
Company Secretaries**

**Mahesh Kumar Gupta
Proprietor
FCS 2870::CP 1999
UDIN: 0028702D00413984**

**Date : 28th May, 2022
Place : Delhi**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **UFLEX LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Uflex Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>Revenue including receivables</p> <p>The Company derives its revenues from multiple products and services including flexible packaging activities, engineering and related activities, etc. Revenue from sale of goods is recognised at a point in time when the control has been transferred subject to the terms with the customers, which generally coincides with dispatch of goods to customers in case of domestic sales and on the basis of bill of lading in the case of export sales. Revenue, from the service contract is recognized when the related services are performed & revenue from the services at the end of the reporting period is recognized bases on the percentage of completion method.</p> <p>Revenue including receivables is identified as a key audit area due to the significance as regards the time and efforts in assessing the appropriateness of revenue recognition covering the aspects of completeness, occurrence, cut off, rights and obligations, etc.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Company's revenue recognition accounting policies in compliance with Ind AS 115 "Revenue from Contracts with Customers". - Obtained an understanding and assessed the design and operating effectiveness of key internal controls over the revenue process and placed specific attention on the timing, occurrence and value of the revenue recognition. - Performed sales transaction testing based on a representative sample to ensure that the related revenues are recorded appropriately taking into consideration the sales terms and conditions for the sale orders, including the shipping terms, etc. Also performed procedures regarding the sales returns, trade discounts, rate differences, volume rebates and other factors, having bearing on the revenue recognition. - Performed sales cut off procedures by matching dispatches/ deliveries occurring around the year end to support the documentation to establish that sales are properly recorded in the correct period. - Verified the customers with overdue receivables with marginal or no movement to determine the level of provisioning required in the receivable. - Verified the adequacy of disclosure in the financial statements in compliance with Ind AS 115.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>Capitalisation of Property, Plant and Equipment</p> <p>The Company continues to invest in significant capital projects with capital expenditure during the current year. The significant level of capital expenditure requires consideration of the determination of the timing of asset ready for its intended use by the management and the nature of costs incurred to ensure that capitalisation of Property, Plant and Equipment meets the specific recognition criteria in Ind AS 16, 'Property, Plant and Equipment', specifically in relation to assets constructed / installed by the Company and the direct incidental cost capitalised with the Property, Plant and Equipment.</p> <p>Due to the above, capitalisation of Property, Plant and Equipment involves the risk of material misstatement as a result of the long-term nature and complexity of the specific projects and hence has been identified as Key Audit Matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Company's 'Property Plant and Equipment' accounting policies in compliance with Ind AS 16 "Property, Plant and Equipment". - Obtained an understanding and assessed the design, implementation and operating effectiveness of controls in respect of the timing and amounts capitalised with the Property, Plant and Equipment; - Performed substantive analytical procedures assessing the nature of Property, Plant and Equipment capitalised by the Company to verify the validity of amounts capitalised and evaluating whether assets capitalised meet the recognition criteria set out in Ind AS 16. - Verified the timing of the capitalisation in terms of criteria met by the Company for the intended use of the Property, Plant and Equipment. - Verified that capitalisation of assets ceased when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the Company and that a consistent approach was applied by the Company across all significant operations.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management & Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone & Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management & Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management & Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the current year and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Standalone Financial Statements of the Company for the year ended March 31, 2021, were audited by one of us, i.e. KAAP & Associates, when we/they were the sole statutory auditors of the Company and our report dated June 29, 2021 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- (e) On the basis of the written representations received from the directors as on March 31, 2022 & taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2022, on its financial position in its Standalone Financial Statements – Refer Note 33(A) & 33(C) to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material mis-statement.
 - v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable (Refer Note 13(D) to the Standalone Financial Statements).
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid / provided by the Company to its directors during the year, is within the limits laid prescribed under Section 197 of the Act, read with Schedule V of the Act.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For KAAP & Associates
Chartered Accountants
Firm Registration No.: 019416N

Vinod Gupta
Partner
Membership No. 503690
UDIN : 22503690AJULCN3958

Deepak Sehgal
Partner
Membership No. 085391
UDIN : 22085391AJZSLN3452

Place: NOIDA
Date: May 28, 2022

Place: NOIDA
Date: May 28, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UFLEX LIMITED

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Uflex Limited ('the Company') on the Standalone Financial Statements for the year ended March 31, 2022

1. a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (ii) The Company has maintained proper records showing full particulars of Intangible Assets.
 - b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were identified on such physical verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Standalone Financial Statements are held in the name of the Company;
 - d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company;
 - e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
2. In respect of Inventory:
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. Quarterly returns / statements filed with such Banks are in agreement with the books of accounts.
 3. According to the information & explanation provided to us, the Company has not made any investments or provided guarantee or security or granted advances in the nature of loans, to any entity.
 - a) The Company has granted interest-bearing unsecured loans to subsidiary, joint venture and associate as follows:

Particulars	Amounts (Rs. in lacs)
Aggregate amount of Loan granted / provided during the year to :	
- Subsidiary	2,750.00
- Joint Venture*	56.86
- Associate	3,000.00
<i>* Renewal of loan along with interest.</i>	
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	2,750.00
- Joint Venture	56.86
- Associate	1,500.00

- b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of the above loans given are, prima-facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular, except where terms of repayment have been modified, in respect of Joint Venture referred above.

- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e) According to the information explanation provided to us and on the basis of our examination of the records of the Company, loans granted to two parties aggregating to Rs. 1186.86 Lacs (Including interest accrued on renewal of loan), had fallen due during the year, which have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, constituting 20% of the aggregate to the total loans granted during the year.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand without specifying any terms or period of repayment.
4. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Companies Act, 2013 ('the Act'). The provisions of section 186 of the Act, have been complied with respect to loans, investments, guarantees and security given during the year & those outstanding in the beginning of the year.
5. In our opinion and according to the information and explanations given to us, during the year, the Company has not accepted any deposits or any amounts which are deemed to be deposits. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
6. We have broadly reviewed the books of account, relating to materials, labour and other items of cost maintained by the Company, as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. In respect of Statutory dues:
- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income-Tax, duty of customs, Cess and other material statutory dues applicable to Company, have been generally regularly deposited by the Company with appropriate authorities during the year.
- According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident Fund, Employees' State Insurance, Income-tax, duty of custom, Cess and other material statutory dues applicable to the Company, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues (Gross of amount deposited under protest, if any) of Sales Tax/ VAT, Income Tax, Excise Duty, Service Tax & GST and any other statutory dues on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which it pertains (all or some years, in case of block)	Forum where dispute is pending
The Central Sales Tax Act, 1956 and concerned Value Added Tax Laws	Sales Tax and VAT	775.20	Financial Year: 2008-09 and 2010-11	High Court
		215.97	Financial Year: 2009-10 and 2011-12 to 2015-16	Tribunal
		130.75	Financial Year: 2015-16 to 2017-18	Appellate Authority up to Commissioner's level
Total		1,121.92		
The Income-tax Act, 1961	Income-tax	80.31	Assessment Year: 2002-03 and 2003-04	High Court
		873.32	Assessment Year: 2004-05 to 2007-08 and 2011-12 to 2013-14	Income-tax Appellate Tribunal (ITAT)
		3,388.43	Assessment Year: 2011-12 to 2018-19	Commissioner of Income Tax Appeals
		178.11	Assessment Year: 2020-21	Assessing Authorities
Total		4,520.17		

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which it pertains (all or some years, in case of block)	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	7.73	Financial Year: 1996-97	Supreme Court
		50.76	Financial Year: 1998-99, 1999-2000 and 2005-06	High Court
		1,977.10	Financial Year: 2012-13 to 2015-16	Tribunal
		2,037.08	Financial Year: 1997-98 to 2016-17	Commissioner (Appeals)
		758.23	Financial Year: 1997-98 to 2017-18	AC/DC/JC
Total		4,830.90		
The Finance Act, 1994	Service Tax	6.34	Financial Year: 2006-07	AC/DC
Total		6.34		
Laws on Goods and Services Tax	Goods and Services Tax (GST)	64.15	Financial Year: 2017-18 to 2020-21	JC/ADC(A)
Total		64.15		

8. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company, under Income Tax Act, 1961. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
9. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information explanation given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provision of paragraph 3 (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provision of paragraph 3(x)(b) of the Order is not applicable to the Company.
11. (a) During the course of our audit, our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, during the course of audit of the Standalone Financial Statements for the year; accordingly, the provisions stated in paragraph 3(xi)(a) &(b) of the Order are not applicable to the Company.
- (b) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph 3(xi)(c) of the Order is not applicable to the Company.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
14. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports issued by Internal auditors during our audit.
15. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order is not applicable to the Company.
16. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
(b) In our opinion and according to the information and explanations given to us, the Company has not conducted during the year, any Non-Banking Financial or Housing Finance activities. Hence, the reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.
(c) In our opinion and according to the information and explanations given to us, neither the Company nor any Company in the Group, is a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, the reporting under paragraph 3(xvi)(c) and (d) of the Order are not applicable to the Company.
17. Based on the overall review of the Standalone Financial Statements, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3(xvii) of the Order are not applicable to the Company.
18. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3(xviii) of the Order are not applicable to the Company.
19. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.
20. (a) In respect of other than ongoing projects, the Company is not required to transfer any unspent amount of Corporate Social Responsibility (CSR) to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.
(b) In respect of ongoing projects, the Company has transferred unspent amount to Unspent CSR Account with a Scheduled Bank, within a period of thirty days from the end of the financial year in compliance with the provision of section 135(6) of the said Act.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For KAAP & Associates
Chartered Accountants
Firm Registration No.: 019416N

Vinod Gupta
Partner
Membership No. 503690
UDIN : 22503690AJULCN3958

Deepak Sehgal
Partner
Membership No. 085391
UDIN :22085391AJZSLN3452

Place: NOIDA
Date: May 28, 2022

Place: NOIDA
Date: May 28, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UFLEX LIMITED

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Uflex Limited on the Standalone Financial Statements for the year ended March 31, 2022]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Uflex Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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

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

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

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial

Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

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

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

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For KAAP & Associates
Chartered Accountants
Firm Registration No.: 019416N

Vinod Gupta
Partner
Membership No. 503690
UDIN : 22503690AJULCN3958

Deepak Sehgal
Partner
Membership No. 085391
UDIN : 22085391AJZSLN3452

Place: NOIDA
Date: May 28, 2022

Place: NOIDA
Date: May 28, 2022

BALANCE SHEET AS AT 31ST MARCH 2022

Particulars	Note No.	(Rs. in Lacs)	
		As At 31st March 2022	As At 31st March 2021
I ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2A	173332.05	170236.94
b) Capital Work-in-Progress		48693.81	6249.22
c) Investment Property	2B	1102.89	1221.87
d) Intangible assets	2C	1847.39	2958.75
e) Right of Use Assets	2D	24483.62	23355.84
f) Intangible assets under development		840.13	835.40
g) Financial Assets			
i) Investments	3	46627.65	46314.31
ii) Loans	4	22.65	46.37
iii) Other Financial Assets	5	1680.61	1856.72
h) Other Non-Current Assets	6	12726.42	11263.14
Total Non-Current Assets		311357.22	264338.56
Current Assets			
a) Inventories	7	71210.64	51243.10
b) Financial Assets			
i) Trade receivables	8	169444.80	133849.79
ii) Cash and cash equivalents	9 (A)	13671.66	18075.89
iii) Bank Balances other than (ii) above	9 (B)	2763.73	1985.83
iv) Loans	10	4306.86	1240.13
v) Other Financial Assets	11	1130.07	2905.94
c) Other Current Assets	12	14894.48	18334.96
Total Current Assets		277422.24	227635.64
TOTAL ASSETS		588779.46	491974.20
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	7221.15	7221.15
b) Other Equity	14	260995.33	240414.23
Total Equity		268216.48	247635.38
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	103504.51	63946.01
ii) Lease Liabilities		3638.37	3621.02
iii) Other Financial Liabilities	16	2047.29	1365.09
b) Provisions	17	2075.46	1780.70
c) Deferred Tax Liabilities (Net)	18	8061.31	11868.62
Total Non-Current Liabilities		119326.94	82581.44
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	67243.10	60800.82
ii) Lease Liabilities		784.39	577.54
iii) Trade payables	20		
- Total outstanding dues of Micro & Small enterprises		2586.53	1497.21
- Total outstanding dues of creditors other than Micro & Small enterprises		107216.20	75331.14
iv) Other Financial Liabilities	21	8675.46	9265.92
b) Other Current Liabilities	22	8332.25	7908.45
c) Provisions	23	2063.93	2110.18
d) Current Tax Liabilities (Net)	24	4334.18	4266.12
Total Current Liabilities		201236.04	161757.38
TOTAL EQUITY AND LIABILITIES		588779.46	491974.20

The accompanying Notes from S.No. 1 to 54 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

This is the Standalone Balance Sheet referred to in our report of even date attached

Rakesh Malhotra
Vice President- Corp Accounts

For MSKA & Associates
Chartered Accountants
Firm's Registration No.: 105047W

For KAAP & Associates
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Note No.	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
(Rs. in Lacs)			
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	603147.78	491853.19
Less : Inter unit Revenue from Sale of Products & Services		46627.67	44590.91
Net Revenue from Sale of Products & Services		556520.11	447262.28
Other Operating Income	25 (B)	10858.11	16073.07
Revenue from Operations		567378.22	463335.35
Other Income	26	4681.23	2205.40
Total Income		572059.45	465540.75
EXPENSES:			
Cost of materials consumed	27	375634.61	263227.81
Purchase of Stock-in-Trade		2962.29	1727.78
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(8176.22)	5844.88
Employee benefits expense	29	50679.49	45917.10
Finance costs	30	15502.92	15228.18
Depreciation and amortization expense	2	25320.81	25964.72
Other expenses	31	84733.27	74792.28
Expenses Allocated to Self Constructed Assets	32	(1739.42)	(2571.48)
TOTAL EXPENSES		544917.75	430131.27
PROFIT BEFORE TAX		27141.70	35409.48
Less / (Add) : Tax expense:			
- Current tax		7859.00	7140.00
- Deferred tax		(3654.01)	5954.24
- Short / (Excess) Provision of Income Tax for earlier years		704.23	(729.03)
Profit for the Year		22232.48	23044.27
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		(609.12)	(52.75)
Fair Value Changes/Realised Value in Equity Instruments		609.73	128.37
Income tax relating to items that will not be reclassified subsequently to Profit & Loss		153.30	-
Total		153.91	75.62
Total Comprehensive Income for the year		22386.39	23119.89
Earnings Per Equity Share (For the Year)			
a) Basic (Rs.)	43	30.79	31.91
b) Diluted (Rs.)	43	30.79	31.91

The accompanying Notes from S.No. 1 to 54 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

This is the Standalone Statements of Profit and Loss referred to in our report of even date attached

Rakesh Malhotra
Vice President- Corp Accounts

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

Particulars	Equity Share Capital	Other Equity						Total
		Reserve & Surplus				Other Comprehensive Income		
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Remeasurement of Defined Benefit Plans	
Balance as at 1st April 2020	7221.15	10377.76	57110.63	20164.05	135090.19	(2553.70)	(1,450.36)	225959.72
Total Other Comprehensive Income for the Year (Net of Tax)						128.37	(52.75)	75.62
Dividend Paid					(1444.23)			(1444.23)
Profit for the Year					23044.27			23044.27
Balance as at 31st March 2021	7221.15	10377.76	57110.63	20164.05	156690.23	(2425.33)	(1503.11)	247635.38
Balance as at 1st April 2021	7221.15	10377.76	57110.63	20164.05	156690.23	(2425.33)	(1503.11)	247635.38
Total Other Comprehensive Income for the Year (Net of Tax)						609.73	(455.82)	153.91
Dividend Paid					(1805.29)			(1805.29)
Profit for the Year					22232.48			22232.48
Amount transferred to Retained Earning on Disposal of Investment recognized through Other Comprehensive Income (Net of Tax)					(10.77)	10.77		-
Balance as at 31st March 2022	7221.15	10377.76	57110.63	20164.05	177106.65	(1804.83)	(1958.93)	268216.48

The accompanying Notes from S.No. 1 to 54 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary
Rakesh Malhotra
Vice President- Corp Accounts

Place : NOIDA
Dated : 28th May, 2022

Jagmohan Mongia
Whole-time Director
DIN 09051022

This is the Standalone Statements of Changes in Equity referred to in our report of even date attached
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

Vinod Gupta
Partner
M.No.: 503690

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Deepak Sehgal
Partner
M.No.: 085391

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	(Rs. in Lacs)	
	For the Year Ended Ended 31st March 2022	For the Year Ended Ended 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	27141.70	35409.48
Adjustment for :		
Depreciation & amortisation expense	25320.81	25964.72
Exchange rate fluctuations (Net)	(1951.66)	(2125.03)
Loss on Sale of Property, Plant & Equipment (Net)	64.22	242.74
Property, Plant & Equipment written Off	34.47	69.64
Gain on sale of Investment Property	(10.76)	-
Gain on disposal of Right to Use Assets	(5.21)	(9.54)
Finance Cost	15502.92	15228.18
Interest received from Banks / others	(583.51)	(744.81)
Rent Received	(954.18)	(944.45)
Dividend on 7.5% Cummulative Redeemable Preference Shares	(2752.44)	-
Dividend received on Investments carried at cost	(58.70)	(44.03)
Gain on sale of units of Mutual Funds (Net)	-	(0.26)
Sundry Credit Balances written Back	(198.23)	(171.20)
Amount utilized from allowance for bad and doubtful Trade Receivables	(1,042.99)	(250.54)
Remeasurement of the net defined benefit liability / asset	(609.12)	(52.75)
Allowance for bad and doubtful Trade Receivables	1806.40	3208.99
Sundry Debit Balances / Bad Debts written off	2055.03	4,824.61
Operating Profit before Working Capital changes	63758.75	80605.75
Adjustment for :		
Trade Receivables	(38215.22)	(30018.28)
Loans and Other financial assets and other assets	5305.62	(6213.68)
Inventories	(19967.54)	(3096.77)
Trade payables	32974.38	13141.18
Other financial liabilities, other liabilities and provisions	332.83	5625.47
Cash generated from operations	44188.82	60043.67
Income Tax	(8495.17)	(4697.02)
Exchange rate fluctuations	1951.66	2125.03
Net Cash generated from operating activities (A)	37645.31	57471.68
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment, Investment Property & Intangibles Assets	(71328.10)	(32255.29)
Sale proceeds of PPE & Intangible Assets	1645.26	538.03
(Outflow) / Inflow on Sale of Investments (Net)	296.39	0.26
Loans to Employees & Others	31.16	33.49
Loans to Subsidiaries (Net)	(1565.00)	706.00
Loans to Associate (Net)	(1500.00)	-
Loan to Jointly Controlled Entity (Net)	(1.73)	1.41
Interest received from Banks / others	583.51	744.81
Dividend on 7.5% Cummulative Redeemable Preference Shares	2,752.44	-
Rent Received	954.18	944.45
Dividend received on Investments carried at cost	58.70	44.03
Net Cash used in Investing Activities (B)	(68073.19)	(29242.81)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022 Contd.

	(Rs. in Lacs)	
	For the Year Ended Ended 31st March 2022	For the Year Ended Ended 31st March 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1809.72)	(1449.13)
Lease Payments	(2175.78)	(934.32)
Finance Cost	(15213.73)	(15806.93)
Borrowings (Net)	46000.78	3311.49
Net Cash generated/(used) in Financing Activities (C)	26801.55	(14878.89)
Net (Decrease)/ Increase in Cash and Cash equivalents (A+B+C)	(3626.33)	13349.98
Cash and Cash equivalents		
Opening Cash and Cash equivalents	20061.72	6711.74
Closing Cash and Cash equivalents #	16435.39	20061.72

Includes Rs. 2763.73 lacs (Previous Year Rs.1985.83 lacs) in respect of amount lying in unclaimed dividend accounts / margin money accounts / fixed deposits pledged with the banks as margin for letter of credits, guarantees & bills discounted.

The accompanying Notes from S.No. 1 to 54 form an Integral Part of the Standalone Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

Rakesh Malhotra
Vice President- Corp Accounts

Place : NOIDA
Dated : 28th May, 2022

Jagmohan Mongia
Whole-time Director
DIN 09051022

This is the Standalone Cash Flow Statement referred to in our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

Vinod Gupta
Partner
M.No.: 503690

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Deepak Sehgal
Partner
M.No.: 085391

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

I. COMPANY OVERVIEW

The Company is a public limited company, domiciled in India and registered with the ROC, Delhi & Haryana under the Registration number 55-32166 dated 21st June 1988. Old Registration number has been converted into new Corporate Identification Number (CIN) L74899DL1988PLC032166.

Registered office of the Company is situated at 305, 3rd Floor, Bhanot Corner, Pamposh Enclave, Greater Kailash-I, New Delhi- 110 048 and Corporate Office at A-107-108, Sector-4, Noida, Uttar Pradesh-201301.

The Company is a leading Indian Multinational, engaged in the manufacture and sale of flexible packaging products & offers a complete flexible packaging solution to its customers across the globe.

II. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPERATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use. Financial statements of the company are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies.

B. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future.

C. CLASSIFICATION OF EXPENDITURE / INCOME

Except otherwise indicated:

- i) All expenditure and income are accounted for under the natural heads of account.
- ii) All expenditure and income are accounted for on accrual basis.

D. REVENUES

Revenues from sale of goods and processing

Revenue from the sale of goods and processing of material (Job Work) in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts, rate differences and volume rebates. Revenue is recognized at point of time, which represents transfer of control to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over the goods and the amount of revenue can be measured reliably. The timing of transfer of control normally happens upon shipment. However in case of consignment sales to agents revenues are recognized when the materials are sold to ultimate customers.

Further, revenues are recognized at gross value of consideration of goods & processing of goods excluding Goods and Service Tax (GST).

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Revenue from Services

Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed. In case where the services are performed by an indeterminate number of acts over a specified period of time, revenue is recognized on a straight line basis over the specified period. After the initial recognition, in respect of uncollectible amount, provisions are made in the period in which amount is identified as uncollectible.

Interest Income

Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

Dividend Income

Dividend income is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

E. PROPERTY, PLANT AND EQUIPMENT (PPE)

Recognition and measurement:

Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

Cost of Self-constructed assets is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit or loss.

Depreciation on all property, plant & equipment are provided for, from the date of put to use for commercial production on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013, except for the followings, where the management believes that technical useful lives is different from those prescribed in Schedule II of the Companies Act, 2013 based on technical evaluation:

Particulars	Description
Rotogravure Cylinders & Shims (useful life of 3 Years)	Over the useful life as technically specified by the management based on the past experience
Continuous process Plant for Packaging Film (useful life of 20 Years)	Over the useful life as technically specified by the management based on the past experience
Identifiable separate components of Plant & Equipment (useful life of 3 to 7 years)	Over the useful life as technically specified by the management based on the past experience

Cost of leasehold land are written off over the primary lease period of the land expect of the leasehold land, held by the company on the date of transition, which is amortized over the remaining useful lives of the assets. Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

F. INTANGIBLE ASSETS

Acquired Intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition, intangibles are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets in respect of Product development is created when the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the product / technology and the cost is reliably measurable. Revenue expenditures pertaining to Research is charged to the statement of profit & loss. Development costs of products are charged to the statement of profit & loss unless a products technological and commercial feasibility has been established in which case such expenditure is capitalized. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment loss, if any.

Intangibles assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use, as per period prescribed in respective license/ agreement or five years.

Intangible asset is derecognized on disposal or when no future economic benefits are expected from continuing use or disposal.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

G. INVESTMENT PROPERTIES

Investment properties are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition the investment properties are carried at cost less accumulated depreciation and impairment losses, if any.

Transfer to and from the investment properties are made when and only when, there is change in the use of the investment property as evidenced by the conditions laid down under the Indian accounting standard. The carrying amount of the property as on the date of classification is considered as carrying value of the investment property and vice-versa.

Depreciation on investment properties are provided for from the date of put to use for on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013.

The carrying amount of the investment properties are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The fair value of the investment properties are disclosed in the notes.

H. INVENTORIES

Inventories of finished goods and work in progress are valued at lower of cost, based on weighted average method, (except in case of machine manufacturing where specific identification method is used) arrived after including depreciation/ amortization on plant & machinery, electrical installation, right to use assets and factory building, repair & maintenance on factory building, and specific manufacturing expenses including specific payments & benefits to employees or net realizable value.

Raw Materials and other materials including packaging, stores and fuels are valued at lower of cost, based on first-in-first-out method arrived at after including freight inward and other expenditure directly attributable to acquisition or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and sales.

I. FINANCIAL INSTRUMENTS

Initial Recognition:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

on initial recognition, except for trade receivables/payables and where cost of generation of fair value exceeds benefits, which are initially measured at transaction price. Transaction costs directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through statement of profit & loss) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through statement of profit & loss are recognized immediately in the statement of profit & loss.

Subsequent Recognition:

Non-derivative financial instruments

- (i) **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments (all being not held for trading), to present the subsequent changes in fair value in other comprehensive income based on its business model.

Fair value of the listed equity instruments are measured using the rate quoted in the stock exchange wherein the securities are actively traded as on the last working day of the period of reporting. In respect of unlisted equity instruments, fair value is determined based on the latest audited financial statements and considering the open market information available, failing which it shall be measured at cost.

- (iii) **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories (including investment in units of mutual funds) is subsequently fair valued through profit or loss.
- (iv) **Financial liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
- (v) **Investment in Subsidiaries/Joint ventures / Associates:** Investment in subsidiaries / Joint Ventures / Associates are carried at cost less impairment, if any, in the separate financial statements. Any gain or losses on disposal of these investments are recognized in the statement of profit & loss.
- (vi) **Derivative financial instruments;** The Group holds derivative financial instruments to hedge its interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised through profit or loss.

J. TRADE RECEIVABLES

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Indian accounting standard and b) impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

K. LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed and determinable payments. This category includes the loans, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

effective interest rate method less appropriate allowance for doubtful receivables, if any.

Loans and advances are further classified as current and non-current depending whether they will realize within 12 months from the balance sheet date or beyond.

L. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities viz borrowings are measured at amortized cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit & loss over the contractual term using the effective interest rate method.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance sheet date or beyond.

Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

M. EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

N. TAXATION

Current Tax

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

Deferred Tax Assets and Liabilities

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity as the case may be.

O. EMPLOYEE BENEFITS

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization, National Pension Scheme and Employee State Insurance fund in respect of ESI and

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated.

- a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
- b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), are reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
- c. Liabilities for accumulating paid absences is determined at the present value of the amounts payable determined using the actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit method. Actuarial gain or losses in respect of accumulating paid absences are charged to statement of profit & loss account.
- d. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

P. IMPAIRMENT

Financial assets

The company recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not fair value through statement of profit and loss. Loss allowance on trade receivables, with no significant financing component is measured at an amount equal to lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss for the period.

Intangible assets, investment property and property, plant and equipment

Intangible assets, investment property and property plant & equipment are evaluated for recoverability wherever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs).

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such asset is considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit & loss if there have been changes in the estimates used to determine the recoverable amount. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceeds the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss has been recognized for the asset in prior years.

Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized, if as a result of past event the company has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company.

Contingent assets are not recognized in the financial statements. However due disclosures are made

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

R. FOREIGN CURRENCY TRANSACTIONS

Functional Currency

The Company functional currency is Indian Rupees. The financial statement of the company is presented in Indian rupees rounded off to nearest lacs.

Transaction and Translations

Transactions in currency other than Indian Rupees are recorded at the rate, as declared by the custom authority / inter-bank rates, ruling on the date of transaction.

Unsettled Foreign currency denominated monetary assets and liabilities, as at the balance sheet date, are translated using the exchange rates as at the balance sheet date. The gain or loss resulting from the translation is recognized in the statement of profit & loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured carried at fair value are translated at the date when the fair value is determined.

Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled.

Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of property, plant & equipment till the period they are put to use for commercial production, are capitalized to the cost of assets acquired and provided for over the useful life of the property, plant & equipment.

S. LEASES

The Company as a Lessee

The Company's lease asset classes primarily consist of leases for land, rental properties, equipment and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Company. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For Short Term Leases and leases for which underlying asset is of low value, Lease payments are recognize as an expenses on a straight line basis over a lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

T. BORROWING COST

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition or construction of qualifying /eligible assets, intended for commercial production are capitalized as part of the cost of such assets. All other borrowing costs are recognized as an expense in the year in which they are incurred.

U. OPERATING SEGMENTS

Operating segments are defined as components of the Company: (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company), (b) whose operating results are regularly reviewed by the Company's designated individual chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available.

Management has chosen to organise the Company, around differences in business activities/ customer base/ products belonging to different industry, having different economic characteristics and not on the basis of geographical areas, looking to the practical impediments.

Accordingly the Company has identified following reportable segments, viz. Flexible packaging activities, Engineering activities and others (Unallocable). All directly attributable revenue and expenses and expenses which can be allocated to segments, are reported under each reportable segment. All other expenses which are not attributable or allocable to segments, are shown under Other (Unallocable). Company has identified assets and liabilities to each reportable segment.

V. APPLICATION OF NEW AND REVISED INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

2A: PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lacs)

	Freehold Land	Building	Plant & Equipment	Electrical Installations	Office Equipment	Furniture & Fixtures	Vehicles	Total
GROSS CARRYING VALUE								
As at 1st April 2020	10.87	54147.13	295662.24	9462.15	6563.74	7096.76	3639.70	376582.59
Additions During the Year	-	233.18	12592.47	65.54	404.89	152.41	229.93	13678.42
Deductions During the Year	-	(6.03)	(6316.62)	(37.26)	(78.49)	(37.99)	(567.15)	(7043.54)
As at 31st March 2021	10.87	54374.28	301938.09	9490.43	6890.14	7211.18	3302.48	383217.47
Additions During the Year	-	440.01	25879.17	163.14	551.46	127.02	788.03	27948.83
Transfer to Investment Property	-	(5.30)	-	-	-	-	-	(5.30)
Deductions During the Year	-	-	(4469.99)	(0.80)	(1819.12)	(5.22)	(159.46)	(6454.59)
As at 31st March 2022	10.87	54808.99	323347.27	9652.77	5622.48	7332.98	3931.05	404706.41
DEPRECIATION								
As at 1st April 2020	-	13454.31	164756.81	5276.26	5143.74	4937.39	1962.20	195530.71
Provided for the Year	-	1684.22	20237.47	600.05	478.74	285.68	357.89	23644.05
Deductions During the Year	-	(5.35)	(5683.81)	(35.24)	(74.60)	(34.67)	(360.56)	(6194.23)
As at 31st March 2021	-	15133.18	179310.47	5841.07	5547.88	5188.40	1959.53	212980.53
Provided for the Year	-	1724.23	19,668.11	586.67	503.74	282.69	341.71	23107.15
Transfer to Investment Property	-	(2.66)	-	-	-	-	-	(2.66)
Deductions During the Year	-	-	(2894.64)	(0.15)	(1727.99)	(2.91)	(84.97)	(4710.66)
As at 31st March 2022	-	16854.75	196083.94	6427.59	4323.63	5468.18	2216.27	231374.36
NET CARRYING VALUE								
As at 31st March 2021	10.87	39241.10	122627.62	3649.36	1342.26	2022.78	1342.95	170236.94
As at 31st March 2022	10.87	37954.24	127263.33	3225.18	1298.85	1864.80	1714.78	173332.05

Note: Borrowing cost capitalised during the Year is Rs. 580.06 Lacs (Previous year Rs. 158.80 lacs).

2B INVESTMENT PROPERTY

(Rs. in Lacs)

	Freehold Land	Leasehold Land	Building	Total
GROSS CARRYING VALUE				
As at 1st April 2020	8.57	273.95	4054.02	4336.54
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2021	8.57	273.95	4054.02	4336.54
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	-	5.30	5.30
Deductions During the Year	-	(1.89)	-	(1.89)
As at 31st March 2022	8.57	272.06	4059.32	4339.95
DEPRECIATION / AMORTISATION				
As at 1st April 2020	-	14.07	2980.80	2994.87
Provided for the Year	-	3.62	116.18	119.80
Transfer from Property, Plant & Equipment	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2021	-	17.69	3096.98	3114.67
Provided for the Year	-	3.53	116.35	119.88
Transfer from Property, Plant & Equipment	-	-	2.66	2.66
Deductions During the Year	-	(0.15)	-	(0.15)
As at 31st March 2022	-	21.07	3215.99	3237.06
NET CARRYING VALUE				
As at 31st March 2021	8.57	256.26	957.04	1221.87
As at 31st March 2022	8.57	250.99	843.33	1102.89

Note: Fair value of the Investment Properties is Rs 12589.67 Lacs (Previous Year Rs.12743.37 Lacs), as valued by Independent architect and approved valuer.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
2C INTANGIBLE ASSETS

(Rs. in Lacs)

	Software	Patent	Technical Know How		Total
			Internally Generated	Other Than Internally Generated	
GROSS CARRYING VALUE					
As at 1st April 2020	2344.26	639.56	2829.28	2666.90	8480.00
Additions During the Year	937.09	-	-	200.00	1137.09
Deductions During the Year	(7.57)	-	-	-	(7.57)
As at 31st March 2021	3273.78	639.56	2829.28	2866.90	9609.52
Additions During the Year	84.28	-	-	-	84.28
Deductions During the Year	(0.51)	-	-	-	(0.51)
As at 31st March 2022	3357.55	639.56	2829.28	2866.90	9693.29
DEPRECIATION / AMORTISATION					
As at 1st April 2020	2039.83	622.71	1,188.47	1561.53	5412.54
Provided for the Year	302.81	16.82	565.86	359.21	1244.70
Deductions During the Year	(6.47)	-	-	-	(6.47)
As at 31st March 2021	2336.17	639.53	1754.33	1920.74	6650.77
Provided for the Year	271.79	0.03	613.01	310.79	1195.62
Deductions During the Year	(0.49)	-	-	-	(0.49)
As at 31st March 2022	2607.47	639.56	2367.34	2231.53	7845.90
NET CARRYING VALUE					
As at 31st March 2021	937.61	0.03	1074.95	946.16	2958.75
As at 31st March 2022	750.08	0.00	461.94	635.37	1847.39

2D RIGHT OF USE ASSETS

(Rs. in Lacs)

	Leasehold Land	Leasehold Land Premium	Rental Properties	Plant & Equipment	Vehicles	Total
GROSS CARRYING VALUE						
As at 1st April 2020	14,803.69	881.78	969.15	307.33	1,019.43	17,981.38
Additions During the Year	5398.56	1,835.23	109.05	503.52	102.13	7,948.49
Deductions During the Year	-	-	(69.12)	-	(189.76)	(258.88)
As at 31st March 2021	20202.25	2717.01	1009.08	810.85	931.80	25670.99
Additions During the Year	1,527.99	60.28	360.55	-	77.73	2,026.55
Deductions During the Year	-	-	(630.31)	-	(58.06)	(688.37)
As at 31st March 2022	21730.24	2777.29	739.32	810.85	951.47	27009.17
DEPRECIATION / AMORTISATION						
As at 1st April 2020	670.39	13.70	440.12	124.76	287.32	1,536.29
Provided for the Year	176.48	17.55	365.56	117.35	280.05	956.99
Deductions During the Year	-	-	(63.72)	-	(114.41)	(178.13)
As at 31st March 2021	846.87	31.25	741.96	242.11	452.96	2,315.15
Provided for the Year	236.09	49.90	219.97	160.54	231.66	898.16
Deductions During the Year	-	-	(630.31)	-	(57.45)	(687.76)
As at 31st March 2022	1082.96	81.15	331.62	402.65	627.17	2525.55
NET CARRYING VALUE						
As at 31st March 2021	19355.38	2685.76	267.12	568.74	478.84	23355.84
As at 31st March 2022	20647.28	2696.14	407.70	408.20	324.30	24483.62

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Depreciation and Amortisation on:		
Property, Plant & Equipment	23107.15	23644.05
Investment Property	119.88	119.80
Intangible Assets	1195.62	1244.70
Right of use assets	898.16	956.99
Adjustment for Amount Capitalised	-	(0.82)
	25320.81	25964.72

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

3. INVESTMENTS

PARTICULARS	DESCRIP- TION	FACE VALUE	AS AT 31.03.2022		AS AT 31.03.2021	
			NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)
I Measured at Cost (Less Impairment, if any)						
a. Equity Instruments in Subsidiaries						
Unquoted						
Fully Paid Up						
i) IN WHOLLY OWNED SUBSIDIARIES						
Flex Middle East FZE, Dubai @	Equity	AED 1 Million	107	12672.08	107	12672.08
Uflex Europe Ltd., UK	Equity	GBP 1	6087529	5191.02	6087529	5191.02
Uflex Packaging Inc, USA	Equity	US\$ 10	367500	1690.92	367500	1690.92
Flex Chemicals Pvt. Ltd., Russia	Equity	RUB 1/-	50000	0.58	50000	0.58
ii) IN OTHER SUBSIDIARIES						
UPET Holdings Ltd., Mauritius	Equity	US\$ 1	22720001	10307.20	22720001	10307.20
USC Holograms Pvt. Ltd.	Equity	Rs.10/-	40800#	4.08	40800#	4.08
b. Equity Instruments in Associate						
Quoted						
Fully Paid Up						
Flex Foods Ltd.	Equity	Rs.10/-	5870000	587.00	5870000	587.00
c. Equity Instruments in Joint Venture						
Unquoted						
Fully Paid Up						
Digicyl Pte. Ltd., Singapore	Equity	US\$ 1	500000	337.50	500000	337.50
Total -3(I)				30790.38		30790.38
II Designated & Carried at Fair value through Other Comprehensive Income						
Equity Instruments						
i) Quoted						
Fully Paid Up						
Ansal Properties & Infrastructure Ltd.	Equity	Rs.5/-	589910	78.75	589910	34.80
Kothari Products Ltd.	Equity	Rs.10/-	342900	438.40	342900	217.06
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	2.74	49300	1.01
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	67.38	60000	21.06
ii) Unquoted						
Fully Paid Up						
Malanpur Captive Power Ltd.	Equity	Rs.10/-	-	-	635650	-
Fair Growth Financial Services Ltd. ^	Equity	Rs.10/-	-	-	100000	-
Vijaya Home Loans Ltd.	Equity	Rs.10/-	50000	-	50000	-
Total -3(II)				587.27		273.93
III Designated & Carried at Amortised Cost (Less Impairment, if any)						
Preference Shares						
Unquoted						
Fully Paid Up						
Montage Enterprises Private Limited \$	Preference	Rs. 100/-	15250000	15250.00	15250000	15250.00
7.5% Cumulative, Non-Participative Redeemable Preference Shares						
TOTAL 3 (I+II+III)				46627.65		46314.31

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As at 31.03.2022	(Rs. in Lacs) As at 31.03.2021
Notes:		
i) Aggregate amount of Quoted Investments	2974.10	2974.10
ii) Aggregate Market Value of Quoted Investments	5729.39	4826.12
iii) Aggregate amount of unquoted Investments	45458.38	45765.55
iv) Aggregate amount of impairment in value of Investments :		
- Quoted	1799.83	2113.16
- Unquoted	5.00	312.17
	1804.83	2425.33
v) Investment Carried at Cost	30790.38	30790.38
vi) Investment Carried at Fair Value through Other Comprehensive Income	587.27	273.93
vii) Investment Carried at Amortised Cost	15250.00	15250.00

Including 4 Equity Shares held by nominees, nominated by the Company.

@ Includes 17 Shares of AED 1 Million each pledged to the Commercial Bank of Dubai (CBD) towards the Term Loan Facilities sanctioned by CBD to Flex Middle East FZE being a wholly owned subsidiary of the Company.

\$ These Preference Shares are redeemable at par in ten equal annual instalments commencing from 3rd October 2022 in respect of 12505000 Preference Shares amounting to Rs. 12505 Lacs allotted on 3rd October 2019 and from 30th March 2023 in respect of 2745000 Preference Shares amounting to Rs. 2745 Lacs allotted on 30th March 2020.

^ Being struck off Company and therefore the shares have been discarded.

	As At 31.03.2022	(Rs. in lacs) As At 31.03.2021
4. LOANS		
(Unsecured, Considered Good)		
Loans to :		
- Employees	44.92	76.08
Less: Current Portion	22.27	29.71
TOTAL :	22.65	46.37
5. OTHER NON-CURRENT FINANCIAL ASSETS		
Security Deposits	1647.50	1828.43
Balance with Banks in Fixed Deposits Accounts for a period more than 12 Months*	33.11	28.29
TOTAL :	1680.61	1856.72
* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
6. OTHER NON-CURRENT ASSETS		
Capital Advances	10805.93	9422.05
Deposit with Excise/ GST / Sales Tax Authorities	306.50	291.67
Deposits / Advances with Income Tax Authorities	1613.99	1549.42
TOTAL :	12726.42	11263.14

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	As At 31.03.2021
(Rs. in Lacs)		
7. INVENTORIES		
Raw Materials	40009.85	29836.95
Work-in-Progress	16722.98	11668.18
Finished Goods	6866.92	3860.10
Traded Goods	203.95	89.35
Material-in-Transit :		
- Raw Materials	5469.80	3939.66
- Raw Materials (Intra Group)	515.03	424.34
Stores, Packing Material & Fuel	1422.11	1424.52
TOTAL :	71210.64	51243.10
8. TRADE RECEIVABLES ^		
Current- Unsecured		
Considered Good	169444.80	133849.79
Having Significant increase in Credit Risk	7817.53	7054.12
Trade Receivables #	177262.33	140903.91
Less : Allowance for bad and doubtful Trade receivables	7817.53	7054.12
TOTAL :	169444.80	133849.79
# Includes due from :		
- Subsidiaries	26638.64	15210.81
- Related Parties	5443.76	5032.20
^ Refer Note No 47 for Ageing Schedule		
Movements in allowance for bad and doubtful Trade receivable:		
Opening Balance	7054.12	4095.67
(+) Provision made during the year	1806.40	3208.99
(-) Amount utilised from provision	(1042.99)	(250.54)
Closing Balance	7817.53	7054.12
9. CASH & BANK BALANCES		
A) Cash & Cash Equivalents		
Balances with Banks:		
- In Current Accounts	5744.96	10182.69
- In Cash Credits Accounts	4589.13	2271.66
- In Fixed Deposits Accounts	3209.99	5521.37
Remittance in transit	-	33.99
Cash on hand	20.39	15.33
Cheques on hand	107.19	50.85
Sub-Total (A)	13671.66	18075.89

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	As At 31.03.2021
B) Other Bank Balances		
- In Fixed Deposits Accounts*	1745.80	1414.19
- In Unclaimed Dividend Accounts	111.47	115.90
- In Margin Money Accounts	906.46	455.74
Sub-Total (B)	2763.73	1985.83
TOTAL (A+B) :	16435.39	20061.72

* Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.

10. LOANS

(Unsecured, Considered Good)

	% of the Total Loans	As At 31.03.2022	% of the Total Loans	As At 31.03.2021
Loan to Subsidiary	63.9%	2750.00	95.6%	1185.00
Loan to Joint Venture	1.3%	56.86	4.4%	55.13
Loans to Associate	34.8%	1500.00		-
TOTAL :		4306.86		1240.13

Additional Information on Loan to Subsidiary, associate & Joint Venture:

Name of the Company	Rate of Interest	As At 31.03.2022	Rate of Interest	As At 31.03.2021
USC Holograms Pvt. Ltd.-Subsidiary	10%	2750.00	10%	1130.00
USC Holograms Pvt. Ltd.-Subsidiary		-	11%	55.00
Flex Foods Ltd.-Associate	10%	1500.00		-
Digicyl Pte. Ltd.(Singapore) -Joint Venture	6.5%	56.86	6.5%	55.13
Total		4306.86		1240.13

The above loans are for a fixed period as specified in respective loan agreements with an option to prepay by the borrower.

11. OTHER FINANCIAL ASSETS

Current Portion of Long Terms Loans given	22.27	29.71
Interest accrued but not due on :		
- Loan to Subsidiary	0.68	4.52
- Loan to Joint Venture	12.64	8.67
- Loan to Associate	42.78	-
- Deposits with Banks	99.84	80.27
- 7.5% Cumulative Redeemable Preference Shares	282.02	-
- Others	12.61	19.87
Other Receivables	657.23	2762.90
TOTAL :	1130.07	2905.94

12. OTHER CURRENT ASSETS

Other Advances	1811.99	1136.23
Advance to Suppliers	4700.18	4476.26
Export Incentive Receivable	1394.18	1890.23
Amount recoverable from Subsidiaries	-	576.40
Amount recoverable from Related Parties	-	22.87
Balances with Excise /GST / VAT Authorities	6988.13	10232.97
TOTAL :	14894.48	18334.96

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

13. SHARE CAPITAL

A AUTHORISED

The Company's authorised Capital is of Rs. 34000.00 Lacs (Previous Year Same) distributed into 1,90,00,000 (Previous Year Same) Preference Shares of Rs.100/- each and 15,00,00,000 (Previous Year Same) Equity Shares of Rs. 10/- Each.

B ISSUED, SUBSCRIBED & PAID-UP

The Issued and Subscribed Capital of the Company as at 31st March 2022 is of Rs. 7228.42 Lacs, represented by 72284187 Equity Shares (Including 72701 Equity Shares forfeited) of Rs. 10/- each and the paid-up Capital as at 31st March 2022 is of Rs.7221.15 Lacs, represented by 7,22,11,486 Equity Shares of Rs. 10/- each . The reconciliation of the Equity Share Capital of the Company is given as under:

	ISSUED & SUBSCRIBED		FULLY PAID-UP		PARTLY PAID-UP	
	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)
Balance as at 1st April 2020	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2021	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2022	72284187	7228.42	72211486	7221.15	-	-

Amount Originally paid up on the forfeited shares was of Rs. 3.89 Lacs (Previous Year Same).

The Company's Paid-up Capital of 72211486 (Previous Year Same) Equity Shares of Rs. 10/- each, is distributed as under:

	% Change During the Year	AS AT 31ST MARCH 2022		AS AT 31ST MARCH 2021	
		NUMBER	%	NUMBER	%
		a) Promoter & Promoter Group		31784239	44.02
Flex International Pvt. Ltd.	-	9197577	12.74	9197577	12.74
Anshika Investments Pvt. Ltd.	-	5771092	7.99	5771092	7.99
A.R. Leasing Pvt. Ltd.	-	4994891	6.92	4994891	6.92
Anshika Consultants Pvt. Ltd.	-	3778524	5.23	3778524	5.23
Apoorva Extrusion Pvt. Ltd.	-	4323162	5.99	4323162	5.99
Anant Overseas Pvt. Ltd.	-	1000000	1.38	1000000	1.38
Ashok Kumar Chaturvedi (Karta)	-	1694051	2.35	1694051	2.35
Ashok Chaturvedi	-	502533	0.70	502533	0.70
A.L.Consultants Pvt. Ltd.	-	355486	0.49	355486	0.49
Rashmi Chaturvedi	-	125145	0.17	125145	0.17
Magic Consultants Pvt Ltd.	-	41778	0.06	41778	0.06
b) Public Shareholding *		40427247	55.98	40427247	55.98
i) Institution		5044507	6.98	4886637	6.77
ii) Non- Institution		35382740	49.00	35540610	49.21
*Of which Shareholder holding More than 5 % of the Paid-up Capital					
Kebale Trading Ltd.		5465840	7.57	5465840	7.57
Vistra ITCL (India) Ltd.		9075980	12.57	8548072	11.84

C RESTRICTION ON VOTING RIGHTS

The Company has only one class of issued equity share capital as on the date of the balance sheet and each holder of equity share is entitled for one vote per share and right to receive the dividend, if any, declared on the equity shares.

D DIVIDEND

The Board of Directors of the Company has recommended a final dividend of Rs. 3.00 (Previous Year Rs.2.50) per share, aggregating to Rs.2166.34 Lacs (Previous Year Rs. 1805.29 Lacs) for the financial year ended 31st March 2022, subject to the approval of the Shareholders in their ensuring Annual General Meeting.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

14. OTHER EQUITY

(Rs. in Lacs)

	Reserve & Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instrument through other comprehensive Income	Remeasurement of Defined Benefit Plans	
Balance as at 1st April 2020	10377.76	57110.63	20164.05	135090.19	(2553.70)	(1,450.36)	218738.57
Total Other Comprehensive Income for the year (Net of Tax)					128.37	(52.75)	75.62
Dividend Paid (Including Dividend Distribution Tax)				(1444.23)			(1444.23)
Profit for the Year				23044.27			23044.27
Balance as at 31st March 2021	10377.76	57110.63	20164.05	156690.23	(2425.33)	(1503.11)	240414.23
Total Other Comprehensive Income for the Year (Net of Tax)					609.73	(455.82)	153.91
Dividend Paid				(1805.29)			(1805.29)
Profit for the Year				22232.48			22232.48
Amount transferred to Retained Earning on Disposal of Investment recognized through Other Comprehensive Income (Net of Tax)				(10.77)	10.77		-
Balance as at 31st March 2022	10377.76	57110.63	20164.05	177106.65	(1804.83)	(1958.93)	260995.33

Description of Reserves

Capital Reserve

This includes Rs. 10288.18 Lacs towards amount of warrant application money forfeited by the Company in the past on non exercise of option by the warrant holders to convert the warrants into Equity Shares and Rs. 89.58 Lacs towards amount received on Equity Shares Forfeited by the Company in the past.

Securities Premium

Securities Premium was created consequent to issuance of shares at Premium. These reserves can be utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.

General Reserve

General Reserve was created in accordance with erstwhile Companies Act, 1956 & Rules thereunder by transferring the Surplus in the Statement of Profit & Loss to the General Reserve, as per the limits laid down thereunder on distribution of Profits to Shareholders, as dividend. This is a part of free reserve and can be used for the purpose of distribution to Shareholders.

15. NON-CURRENT BORROWINGS

	As At 31st March 2022	As At 31st March 2021
Secured		
A. Term Loans :		
From Banks	111579.45	68999.81
From a Financial Institution	8859.10	10855.52
	120438.55	79855.33
B. Vehicle Loans :		
From Banks	188.68	137.80
From Others	560.37	162.12
	749.05	299.92
Unsecured		
C. From a Financial Institution ~	4235.75	5481.82
Sub- Total (A+B+C)	125423.35	85637.07
Less: Current portion	21918.84	21691.06
TOTAL :	103504.51	63946.01

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The Company is availing the Secured Term Loan Facilities from banks & others. Their repayment terms and other details are given as under:

(Rs. in Lacs)					
Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Original Repayment Terms
PART A: TERM LOANS					
IFCI Limited	* 15000.00	8873.00 (10873.00)	2000.00 (2000.00)	6873.00 (8873.00)	Repayable in 32 Quarterly Installments commencing from June 2018, first four installments of Rs. 250.00 Lacs each and balance 28 installments of Rs. 500.00 Lacs each.
UCO Bank	* 20000.00	11153.03 (14703.89)	3512.39 (3512.39)	7640.64 (11191.50)	Repayable in 24 Equal Quarterly Installments of Rs. 833.33 lacs each commencing from February 2019. Post Covid Relaxation, repayment schedule has been revised effective Nov 20 and balance amount is payable in 18 Equal Quarterly installments of Rs. 878.10 lacs each and final installments of Rs. 669.00 Lacs
Jammu & Kashmir Bank Ltd.	* 14930.00	12294.27 (14005.49)	1,967.20 (1967.20)	10327.07 (12038.29)	Repayable in 32 Equal Quarterly Installments of Rs. 466.56 lacs each commencing from February 2020. Post Covid Relaxation, repayment schedule has been revised effective Nov 20 and balance amount is payable in 30 Equal Quarterly installments of Rs. 491.80 lacs each & Last installments of Rs. 491.70 Lacs.
State Bank of India	* 25000.00	2143.26 (7153.09)	2143.26 (5000.00)	- (2153.09)	Repayable in 60 Equal Monthly Installments of Rs. 416.67 Lacs each commencing from Oct 2017. However installments are restricted to the extent of loan availed.
State Bank of India	* 15000.00	3254.01 (5404.55)	2144.00 (2144.00)	1110.01 (3260.55)	Repayable in 82 installments, First Installment is of Rs. 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs. 178.67 Lacs each from Apr 2019. However installments are restricted to the extent of loan availed.
South Indian Bank	* 5000.00	2640.97 (3395.76)	754.79 (754.79)	1886.18 (2640.97)	Repayable in 28 Quarterly Installments commencing from June 2018. First 27 Equal Quarterly Installments of Rs 178.60 Lacs and last installment of Rs. 177.80 Lacs. Post Covid Relaxation, repayment schedule has been revised effective Sept 20 and balance amount is payable in 20 Equal Quarterly installments of Rs. 188.70 lacs each and last installments of Rs. 187.90 Lacs.
Punjab National Bank (erstwhile Oriental Bank of Commerce)	* 5000.00	3256.28 (3972.70)	714.29 (714.29)	2541.99 (3258.41)	Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.
Woori Bank	* \$ 6000.00	4000.00 (6000.00)	2000.00 (2000.00)	2000.00 (4000.00)	Repayable in 12 Equal Quarterly Installments of Rs. 500 Lacs each commencing from April 2021.
Indian Bank	* \$ 10000.00	8420.63 (8208.53)	500.00 (500.00)	7920.63 (7708.53)	Repayable in 34 Quarterly Installments (First 10 Installments of Rs. 125 Lacs each, next 4 installments of Rs. 250 Lacs each, next 12 installments of Rs. 375 lacs each, next 4 installments of Rs. 437.50 lacs each and last 4 installments of Rs. 375 Lacs each) commencing from March 2021.
Bank of Maharashtra	* \$ 2500.00	2012.08 (498.69)	240.00 (240.00)	1772.08 (258.69)	Repayable in 26 Quarterly Installments (first 9 installments of Rs. 60 lacs Each, next 8 installments of Rs. 100 Lacs, next 8 installments of Rs. 125 Lacs each and final installments of Rs. 160 Lacs) each commencing from March 2021.
Qatar National Bank	* \$ 4000.00	4000.00 (4000.00)	1,000.00 (-)	3000.00 (4000.00)	Repayable in 16 Equal Quarterly Installments of Rs. 250 Lacs each commencing from June 2022.
KB Kookmin Bank	* 7000.00	7,000.00 (-)	2,737.94 (-)	4,262.06 (-)	Repayable in 8 Quarterly Installments (first 7 installments of Rs. 912.65 Lacs each and final installment of 611.47) commencing commencing from Aug 2022 .
Punjab & Sindh Bank	* 10000.00	7,092.75 (-)	500.00 (-)	6,592.75 (-)	Repayable in 34 Quarterly Installments (first 6 installments of Rs. 125 lacs each, next 4 installments of Rs. 250 Lacs each, next 4 installments of Rs. 312.50 Lacs each, next 16 installments of Rs. 375 Lacs each and balance in 4 installments of Rs. 250 lacs each) commencing from February 2022.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)					
Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Original Repayment Terms
Indian Overseas Bank	* 10000.00	288.80 (-)	288.80 (-)	- (-)	Repayable in 34 Quarterly Installments (first 6 installments of Rs. 125 lacs each, next 4 installments of Rs. 250 Lacs each, next 8 installments of Rs. 313 Lacs each, next 15 installments of Rs. 375 Lacs each and balance in 1 installments of Rs. 121 lacs) commencing from March 2022.
Punjab National Bank	* 29000.00	14,468.39 (-)	- (-)	14,468.39 (-)	Repayable in 28 Quarterly Installments (first 12 installments of Rs. 725 lacs each, next 8 installments of Rs. 1087.50 Lacs each and next 8 installments of Rs. 1450 Lacs each) commencing from June 2023.
Bank of Behrain & Kuwait	* 5000.00	5,000.00 (-)	20.76 (-)	4,979.24 (-)	Repayable in 17 Quarterly Installments (first installments of Rs. 20.76 lacs each, next 15 installments of Rs. 312.50 Lacs each and next 1 installments of Rs. 291.74 lacs) commencing from March 2023.
Oldenburgische Landes Bank- Commercial Loan	* Euro 7.50 Mn.	3,174.75 (-)	- (-)	3,174.75 (-)	8 Semi annual installments of Euro 0.94 Mn. (Equivalent to Rs.793.26 Lacs) from Sep 2023
Oldenburgische Landes Bank-Bopet Film	*Euro 28.50 Mn.	15,763.18 (-)	- (-)	15,763.18 (-)	20 Semi annual installments of Euro 1.42 Mn (Equivalent to Rs. 1206.40 Lacs) from Sep 2023
Oldenburgische Landes Bank-CPP Film	* Euro 8.30 Mn.	6,362.07 (-)	- (-)	6,362.07 (-)	20 Semi annual installments of Euro 0.42 Mn (Equivalent to Rs 351.34 Lacs) from Sep 2023
Canara Bank	* 875.00	- (777.78)	- (583.33)	- (194.45)	Repayable in 18 Equal Monthly Installments of Rs. 48.61 Lacs each commencing from February 2021.
Punjab National Bank	* 260.00	30.20 (216.68)	30.20 (173.28)	- (43.40)	Repayable in 18 Equal Monthly Installments of Rs. 14.44 Lacs each commencing from January 2021.
Punjab National Bank (erstwhile Oriental Bank of Commerce)	* 190.00	10.98 (147.78)	10.98 (126.67)	- (21.11)	Repayable in 18 Equal Monthly Installments of Rs. 10.56 Lacs each commencing from December 2020.
State Bank of India	* 598.91	31.27 (432.24)	31.27 (400.00)	- (32.24)	Repayable in 18 Equal Monthly Installments of Rs. 33.33 Lacs each commencing from November 2020.
Union Bank of India	* 270.00	45.00 (225.00)	45.00 (180.00)	- (45.00)	Repayable in 18 Equal Monthly Installments of Rs. 15.00 Lacs each commencing from January 2021.
Bank of India	* 183.00	- (164.70)	- (138.71)	- (25.99)	Repayable in 18 Equal Monthly Installments First 6 installments of Rs. 4.58 Lacs and rest 12 installments of Rs. 12.96 Lacs each commencing from December 2020.
Less: Adjustment for Transaction Cost (Pending Amortisation)		876.37 (324.55)	212.26 (126.35)	664.11 (198.20)	
Sub Total: A		120438.55	20428.62	100009.93	
Previous Year		(79855.33)	(20308.31)	(59547.02)	
PART B: VEHICLE LOANS					
Jammu & Kashmir Bank Ltd.	# 76.36	74.14 (-)	27.78 (-)	46.36 (-)	Repayable in 28 Equal Monthly Installments of Rs. 2.68 Lacs each commencing from March 2022 including interest amount.
Jammu & Kashmir Bank Ltd.	# 26.40	15.09 (20.44)	5.46 (5.01)	9.63 (15.43)	Repayable in 60 Equal Monthly Installments of Rs. 0.55 Lacs each commencing from January 2020 including interest amount.
Jammu & Kashmir Bank Ltd.	# 13.00	11.99 (-)	1.51 (-)	10.48 (-)	Repayable in 84 Equal Monthly Installments of Rs. 0.21 Lacs each commencing from September 2021 including interest amount.
Jammu & Kashmir Bank Ltd.	# 13.40	12.69 (-)	1.51 (-)	11.18 (-)	Repayable in 84 Equal Monthly Installments of Rs. 0.21 Lacs each commencing from September 2021 including interest amount.
HDFC Bank Limited	# 66.00	- (9.42)	- (9.42)	- (-)	Repayable in 48 Equal Monthly Installments of Rs. 1.61 Lacs each commencing from October 2017 including interest amount.
HDFC Bank Limited	# 17.00	12.60 (15.59)	3.25 (3.00)	9.35 (12.59)	Repayable in 60 Equal Monthly Installments of Rs. 0.35 Lacs each commencing from October 2020 including interest amount.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)					
Name of the Institution / Banks / Others	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Original Repayment Terms
YES BANK LIMITED	# 130.00	- (36.35)	- (36.35)	-	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from April 2018 including interest amount.
YES BANK LIMITED	# 128.00	21.55 (56.00)	21.55 (34.45)	(21.55)	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from November 2018 including interest amount.
AXIS BANK	# 19.75	17.79 (-)	3.53 (-)	14.26 (-)	Repayable in 60 Equal Monthly Installments of Rs.0.40 Lacs each commencing from September 2021 including interest amount.
AXIS BANK	# 25.00	22.83 (-)	4.45 (-)	18.38 (-)	Repayable in 60 Equal Monthly Installments of Rs.0.50 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 22.17	18.80 (-)	7.08 (-)	11.72 (-)	Repayable in 36 Equal Monthly Installments of Rs. 0.69 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 20.06	16.99 (-)	6.42 (-)	10.57 (-)	Repayable in 36 Equal Monthly Installments of Rs. 0.62 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 20.06	16.99 (-)	6.42 (-)	10.57 (-)	Repayable in 36 Equal Monthly Installments of Rs. 0.62 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 20.54	18.40 (-)	6.48 (-)	11.92 (-)	Repayable in 36 Equal Monthly Installments of Rs. 0.64 Lacs each commencing from December 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 42.37	39.79 (-)	7.46 (-)	32.33 (-)	Repayable in 60 Equal Monthly Installments of Rs. 0.84 Lacs each commencing from November 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 22.57	19.67 (-)	7.16 (-)	12.51 (-)	Repayable in 36 Equal Monthly Installments of Rs. 0.70 Lacs each commencing from November 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 45.42	45.42 (-)	7.99 (-)	37.43 (-)	Repayable in 60 Equal Monthly Installments of Rs. 0.90 Lacs each commencing from April 2022 including interest amount.
KOTAK MAHINDRA PRIME LTD	# 271.81	271.81 (-)	84.99 (-)	186.82 (-)	Repayable in 36 Equal Monthly Installments of Rs. 8.37 Lacs each commencing from April 2022 including interest amount.
Toyota Financial Services India Limited	# 17.00	8.98 (14.41)	5.88 (5.44)	3.10 (8.97)	Repayable in 36 Equal Monthly Installments of Rs. 0.53 Lacs each commencing from October 2020 including interest amount.
Daimler Financial Services India Pvt. Ltd	# 69.00	- (11.50)	- (11.50)	-	Repayable in 48 Equal Monthly Installments of Rs. 1.69 Lacs each commencing from November 2017 including interest amount.
Daimler Financial Services India Pvt. Ltd	# 72.00	51.76 (68.10)	17.60 (16.34)	34.16 (51.76)	Repayable in 48 Equal Monthly Installments of Rs. 1.74 Lacs each commencing from January 2021 including interest amount.
Daimler Financial Services India Pvt. Ltd	# 72.00	51.76 (68.11)	17.60 (16.34)	34.16 (51.77)	Repayable in 48 Equal Monthly Installments of Rs. 1.74 Lacs each commencing from January 2021 including interest amount.
Sub Total: B		749.05	244.12	504.93	
Previous Year		(299.92)	(137.85)	(162.07)	
Total (A+B)		121187.60	20672.74	100514.86	
Previous Year		(80155.25)	(20446.16)	(59709.09)	

31st March 2021 figures have been given in brackets.

* These are secured a) on *pari-passu* basis by way of hypothecation of specific movable properties of the Company (save and except book debts), both present & future, subject to prior charges created and / or to be created in favour of Company's bankers for working capital facilities, b) by first *pari passu* equitable mortgage of specific immovable properties of the Company situated at Malanpur (M.P.), Jammu (J & K), NOIDA (U.P.) and Sanand (Gujarat) and c) by guarantee of Chairman & Managing Director of the Company. These are further secured by way of second *pari passu* charge on the current assets of the Company.

\$ In respect of these loans, first *pari-passu* equitable mortgage of specific immovable properties is pending and equitable mortgage can be created only after obtaining NOC's from all the Lenders and execution of equitable mortgage documents.

Vehicle Loans are secured by way of hypothecation of Specific Vehicles of the Company.

~ These are secured by a) exclusive first charge by way of hypothecation of Specific aircrafts owned by M/s A.R. Airways Pvt. Ltd., b) corporate guarantee of A.R. Airways Pvt. Ltd. and c) guarantee of Chairman & Managing Director of the Company.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
16. OTHER FINANCIAL LIABILITIES		
Securities Received	1293.85	1174.09
Retention Money	753.44	191.00
TOTAL :	2047.29	1365.09
17. PROVISIONS		
Leave Encashment	2075.46	1780.70
TOTAL :	2075.46	1780.70
18. DEFERRED TAX LIABILITIES (NET)		
Opening Balance	11868.62	5914.38
Add / (Less) : Provision of Deferred Tax charge / (Credit) for the year	(3807.31)	5954.24
TOTAL :	8061.31	11868.62

The Cumulative Tax effects of significant temporary differences, that resulted in Deferred Tax Asset & Liabilities and description of item thereof that creates these differences are as follows :

	Deferred Tax Assets / (Liabilities) As At 01.04.2021	Current Year (Charge) / Credit	(Rs. in Lacs) Deferred Tax Assets / (Liabilities) As At 31.03.2022
Deferred Tax Assets			
Others	3873.14	(258.11)	3615.03
Total (A)	3873.14	(258.11)	3615.03
Deferred Tax Liabilities			
Excess of Book WDV of Property, Plant and Equipment over Tax WDV of Fixed Assets	(15741.76)	4065.42	(11676.34)
Total (B)	(15741.76)	4065.42	(11676.34)
Net Deferred Tax (Liability) (A-B)	(11868.62)	3807.31	(8061.31)

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised as below:

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Profit before income taxes (Rs in Lacs)	27141.70	35409.48
Average Tax Rate Applicable	25.17%	34.94%
Computed Tax Rate	14.93%	36.98%
Effect of changed in tax rate	10.28%	-2.28%
Effects of non-deductible expenses	-1.23%	-0.56%
Additional deduction	1.19%	0.80%
	25.17%	34.94%

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Income Tax Expense in the Total Comprehensive Income represents: (Rs. in Lacs)

	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
In Statement of Profit & Loss		
-Current tax	7859.00	7140.00
-Deferred tax	(3654.01)	5954.24
-Short / (Excess) Provision of Income Tax for earlier years	704.23	(729.03)
Total	4909.22	12365.21
In Statement of Other Comprehensive Income		
<i>Items that will not be reclassified subsequently to Profit or Loss:</i>		
Remeasurement of the net defined benefit liability / asset	(153.30)	-
Total	(153.30)	-

Effective FY 2021-22, the Company elected to exercise the option permitted under Section 115BAA of Income Tax Act, 1961 as Introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Company has recognised provision for Income Tax for the year ended 31st March 2022 and remeasured the deferred tax assets / liabilities, as per the rate prescribed in the said section.

	As At 31st March 2022	As At 31st March 2021
(Rs. in Lacs)		
19. CURRENT BORROWINGS		
Secured		
Working Capital Facilities From Banks	33959.51	29194.91
Unsecured		
From Banks	742.75	1652.85
From Others	10622.00	8262.00
Current Maturities of Long Term Borrowings	21918.84	21691.06
TOTAL :	67243.10	60800.82

Working capital facilities from banks are secured a) on *first pari passu* basis, by way of hypothecation of stock of raw materials, semi-finished goods, finished goods and book debts of the Company, both present and future, b) by way of second *pari passu* charge on specific fixed assets of the Company, situated at Malanpur (M.P.), Jammu (J & K), NOIDA (U.P.) and Sanand (Gujarat), and c) by guarantee of Chairman & Managing Director of the Company.

The Company has filed the returns/ statements of current assets, as per the requirement of the banks, which are in agreement with the books of accounts.

	As At 31.03.2022	As At 31.03.2021
(Rs. in Lacs)		
20: TRADE PAYABLES ^		
Suppliers:		
Total outstanding dues of creditors other than Micro & Small enterprises and Related Parties	80132.60	59532.13
Total outstanding dues of Micro & Small enterprises *	2586.53	1497.21
Due to Related Parties	27083.60	15799.01
TOTAL :	109802.73	76828.35

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

[^] Refer Note No 48 for Ageing Schedule

* The details of amounts outstanding to Micro & Small Enterprises, as identified by the management, under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under :

(Rs. in Lacs)			
S. No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Principal amount due and remaining unpaid	5.23	7.25
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payment under the MSMED Act	0.02	0.19
4	Payment made beyond the appointed day during the year	312.29	399.01
5	Interest due and payable for the period of delay other than (3) above	0.73	3.46
6	Interest accrued and remaining unpaid	Nil	Nil
7	Amount of further interest remaining due and payable in succeeding years	Nil	Nil

			(Rs. in Lacs)	
			As At	As At
			31.03.2022	31.03.2021
21: OTHER FINANCIAL LIABILITIES				
Capital Creditors		3488.88		4014.59
Interest Accrued but not due on Loans				
- From Others		37.20		98.23
Interest Accrued but not due on Term Loans				
- From Banks		114.21		125.05
- From Financial Institutions		73.29		91.48
Unclaimed Dividend*		111.47		115.90
Due to Employees		2915.41		3254.96
Others Payable		1578.61		1565.71
Unspent CSR		356.39		-
TOTAL :		8675.46		9265.92

* These figures do not include any amount, due and outstanding, required to be transferred to Investor Education and Protection Fund.

22: OTHER CURRENT LIABILITIES				
Advances from Customers		5180.40		5486.67
Advances from Subsidiaries		886.41		735.10
Advances from a Related Party		302.05		371.14
Statutory Dues		1963.39		1315.54
TOTAL :		8332.25		7908.45

23: PROVISIONS				
Leave Encashment		814.92		652.21
Staff Benefits		1204.10		1388.12
Warranty		44.91		69.85
TOTAL :		2063.93		2110.18

24: CURRENT TAX LIABILITIES (NET)				
Current Income Tax (Net)		4334.18		4266.12
TOTAL :		4334.18		4266.12

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31st March 2022	(Rs. in Lacs) For the Year Ended 31st March 2021
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	596819.27	485998.67
Less : Inter Unit Sales	43845.80	42006.91
	552973.47	443991.76
ii) REVENUE FROM SALE OF SERVICES		
a. Gross Job work / Services Rendered	6177.86	5485.52
Less : Inter Unit Job Work	2781.87	2584.00
	3395.99	2901.52
b. Technical Fees	150.65	369.00
	3,546.64	3270.52
TOTAL (A) :	556520.11	447262.28
B. OTHER OPERATING INCOME		
Scrap Sales	5588.15	4914.91
Packing, Forwarding and Insurance Recoveries	586.79	710.10
Exchange Rate Fluctuation (Net)	1951.66	2125.03
Export Incentive	1437.41	2931.59
GST Refund	361.64	3923.80
Miscellaneous Operating Income	130.91	93.04
Support Fees	801.55	1374.60
TOTAL (B) :	10858.11	16073.07
TOTAL (A+B):	567378.22	463335.35
26: OTHER INCOME		
Rent Received	954.18	944.45
Gain on Disposal of Investments (Net)		
Gain on disposal of Right to Use Assets	5.21	9.54
Gain on Sale of Investments		
- On Units of Mutual Funds	-	0.26
Gain on sale of Investment Property	10.76	-
Miscellaneous Income	118.20	291.11
Sundry Credit Balances Written Back	198.23	171.20
Interest :		
- from Banks	365.12	404.13
- from Others	218.39	340.68
Investment Income:		
- Dividend on 7.5% Cumulative Redeemable Preference Shares	2752.44	-
- Dividend received on Investments carried at cost	58.70	44.03
TOTAL :	4681.23	2205.40
27: COST OF MATERIALS CONSUMED		
Opening Stock	30261.29	22593.38
Add : Purchases	428884.07	312380.55
	459145.36	334973.93
Less : Inter Unit Purchases	42985.87	41484.83
	416159.49	293489.10
Less : Closing Stock	40524.88	30261.29
TOTAL :	375634.61	263227.81

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31st March 2022	(Rs. in Lacs) For the Year Ended 31st March 2021
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Stock-in-Trade	89.35	21.40
Finished Goods	3860.10	4765.02
Work-in-Progress	<u>11668.18</u>	<u>16676.09</u>
	15617.63	21462.51
Less: Closing Stock :		
Stock-in-Trade	203.95	89.35
Finished Goods	6866.92	3860.10
Work-in-Progress	<u>16722.98</u>	<u>11668.18</u>
	23793.85	15617.63
TOTAL :	<u>(8176.22)</u>	<u>5844.88</u>
29: EMPLOYEE BENEFITS EXPENSE		
Salaries,Wages,Bonus,Benefits and Amenities	47465.17	43069.58
Contribution to Provident Fund and Other Funds	1996.94	1761.59
Employee Welfare Expenses	<u>1217.38</u>	<u>1085.93</u>
TOTAL :	<u>50679.49</u>	<u>45917.10</u>
30: FINANCE COSTS		
Interest		
- On Loans for Fixed Period	9376.74	9693.38
- On Other Loans / Liabilities	3102.67	3391.11
- On Lease Liabilities	379.25	248.93
- On Shortfall in payment of Advance Tax	<u>1077.67</u>	<u>360.20</u>
Discounting & Financial Charges	<u>1566.59</u>	<u>1534.56</u>
TOTAL :	<u>15502.92</u>	<u>15228.18</u>
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	23565.63	18385.10
Repair & Maintenance-Machinery	8035.51	7275.61
Stores Consumed	5068.03	3935.70
Tools, Jigs & Dies	256.26	234.13
Packing Material Consumed	10817.83	8539.04
Flexo Plates / Processing Charges for Cylinders	4861.56	4200.77
Less : Inter Unit Charges	<u>3641.80</u>	<u>3106.07</u>
	1219.76	1094.70
Design & Development Charges	2.65	6.99
Job Work Charges	879.75	1120.67
Royalty Expenses	448.30	457.56
R & D Charges	<u>147.36</u>	<u>165.03</u>
TOTAL (A) :	<u>50441.08</u>	<u>41214.53</u>

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31st March 2022	(Rs. in Lacs) For the Year Ended 31st March 2021
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Short Term Leases	927.89	602.52
Leases of Low Value	22.37	15.44
Rates & Taxes	67.94	118.05
Insurance charges	1226.29	998.41
Electricity & Water charges	434.98	415.06
Printing & Stationery	183.81	213.36
Postage & Telephone Expenses	382.58	335.31
Vehicle Running & Maintenance Expenses	386.50	320.60
Conveyance & Travelling Expenses	1945.44	1079.51
Repair & Maintenance :		
- Building	960.07	1159.42
- Others	2768.21	2722.82
Legal & Professional Charges	2428.65	1622.94
Directors' sitting fees	31.00	30.00
General Expenses	3246.31	2615.95
Commission on Sales	610.69	420.86
Advertisement & Publicity	606.50	406.93
Entertainment Expenses	312.19	174.03
Charity & Donation	9.61	94.70
Corporate Social Responsibility Expenditure	391.52	217.99
Freight & Forwarding charges	13725.75	10953.78
Property, Plant & Equipment written Off	34.47	69.64
Loss on Sale of Property, Plant & Equipment (Net)	64.22	242.74
Allowance for bad and doubtful Trade Receivables	1806.40	3208.99
Amount utilized from allowance for bad and doubtful Trade Receivables	(1042.99)	(250.54)
Sundry Debit Balances / Bad Debts written off	2055.03	4824.61
Quality Claims	706.76	964.63
TOTAL (B) :	34292.19	33577.75
TOTAL : (A+B)	84733.27	74792.28
Additional Disclosure in respect of Investment Properties, that generated rental income;		
Insurance	35.99	24.47
Repair & Maintenance :		
- Building	23.17	22.86
Finance Cost on Lease Liabilities	1.96	1.96
Amortization of Right to Use Assets	0.28	0.28
	61.40	49.57

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31st March 2022	(Rs. in Lacs) For the Year Ended 31st March 2021
32: EXPENSES ALLOCATED TO SELF CONSTRUCTED ASSETS		
Cost of Material Consumed	991.75	1585.38
Employee Benefits Expense	368.71	499.31
Depreciation and amortisation expense	102.98	134.03
Other Expenses	275.98	352.76
TOTAL :	1739.42	2571.48

	Current Year	(Rs. in Lacs) Previous Year
33: CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :		
A i) Show cause notice / demands of Excise Authorities in respect of Excise Duty & Service Tax not acknowledged by the Company and are contested / appealed / replied.	4837.24	4888.29
ii) Show cause notice / demands of Goods & Services Tax (GST) Authorities in respect of GST not acknowledged by the Company and are contested / appealed / replied.	64.15	29.69
iii) Additional demands raised by the Income Tax Department, which are under rectification & appeal	4520.17	1139.48
iv) Additional demands raised by the Sales Tax Department, which are under rectification & appeal	1121.92	1366.34
v) Amount demanded by the erstwhile workers of the Company and are pending in labour Court	15.92	15.92
vi) Claims against the Company/disputed liabilities not acknowledged as debt.	439.90	439.90
vii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
viii) Demands raised by the Electricity Departments, which are protested or under appeal	1167.12	364.29
B i) Guarantees issued by Banks	4252.36	3317.97
ii) Corporate Guarantees issued for facilities taken by subsidiaries from Banks	32594.10	33148.50
iii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes	43692.04	43555.20
iv) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	10639.55	4713.48
C Liability in respect of Bonus for the FY 2014-15 arising due to retrospective amendment in the Payment of Bonus (Amendment) Act, 2015; which is contested by the Company.	429.85	429.85

34: CAPITAL COMMITMENTS :		
The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for	45219.46	56060.47

35: DISCLOSURES FOR LEASES AS PER IND AS -116 ON "LEASES"

The following disclosures are made in respect of leases as required under Ind AS-116 on "Leases",

	Note No	Current Year	(Rs. in Lacs) Previous Year
i) Depreciation Charge on Right of Use Assets	2D	898.16	956.99
ii) Interest Expense on Lease Liabilities	30	379.25	248.93
iii) Short Term Leases	31B	927.89	602.52
iv) Low Value Leases	31B	22.37	15.44
v) Variable Lease Payments		-	-
vi) Total Cash Outflows on Right of Use Assets		2175.78	934.32
vii) Additions to Right to Use Assets	2D	2026.55	7948.49
viii) Carrying amount of Right of Use Assets	2D	24483.62	23355.84

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

36: INFORMATION IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY:

	Current Year	(Rs. in Lacs) Previous Year
a Gross Amount required to be spent by the Company during the Year	396.75	212.75
b Total of previous years Shortfall / (Excess) incurred	(5.24)	-
c Balance to be spent	391.51	212.75
d Expenditure incurred	35.12	217.99
e Unspent / Shortfall / (Excess) at the end of the year	356.39	(5.24)

f Reason for Shortfall / Unspent amount

In effect there is no shortfall, as the unspent amount is in respect of ongoing project identified by the Company.

In terms of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified two ongoing projects namely (i) Eradicating Hunger and malnutrition by producing & distributing the Organic Agriculture produce and (ii) Improving Healthcare system of public by growing & distribution of Herbal medicines and had spent part of the CSR amount during the financial year 2021-22 and balance of Rs. 356.39 lacs, outstanding as at year end, will be spent in the coming financial year i.e. 2022-23, which has been transferred to Unspent Corporate Social Responsibility Account with the Scheduled Bank within 30 days from the end of Current Financial Year as per provision of section 135(6) of Companies Act, 2013.

g Nature of CSR Activities

As covered under Item No (i) & (iv) of Schedule III of the Companies Act, 2013

37: AUDITORS REMUNERATION, AS INCLUDED IN "LEGAL & PROFESSIONAL CHARGES" UNDER NOTE NO."31(B)", IS AS UNDER:-

	Current Year	(Rs. in Lacs) Previous Year
a) Audit Fees	140.75	136.00
b) Taxation Matters	42.00	40.00
c) Other Services (Certification Charges)	51.90	30.01
d) Out of Pocket Expenses	5.09	2.68

38: DEFINED BENEFIT PLAN

a) Gratuity

The Employees' Group Gratuity Scheme is managed by ICICI Prudential Life Insurance Company Limited. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The additional disclosure in terms of Ind AS 19 on "Employee Benefits", is as under:

	Current Year	(Rs. In Lacs) Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	5989.93	5304.56
Current Service cost	552.51	473.11
Interest cost	407.03	360.46
Actuarial (gain) / loss due to unexpected experience	619.45	364.56
Benefits paid	(750.51)	(512.76)
Obligations at period end	6818.41	5989.93

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	Current Year	(Rs. in Lacs) Previous Year
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	5136.94	4314.70
Interest Income	349.06	293.19
Return on Plan Assets excluding Interest Income	10.33	311.81
Contributions	1527.50	730.00
Benefits paid	(750.51)	(512.76)
Plan assets at period end, at fair value	6273.32	5136.94
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	6818.41	5989.93
Fair value of plan assets at the end of the period	(6273.32)	(5136.94)
Liability/ (Asset) recognized in the balance sheet	545.09	852.99
d. Gratuity cost for the period		
Current Service cost	552.51	473.11
Interest cost	407.03	360.46
Expected return on plan assets	(349.06)	(293.19)
Net Gratuity Cost recognised in Statement of Profit & Loss	610.48	540.38
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to unexpected experience	619.45	364.56
Return on Plan assets, excluding interest income	(10.33)	(311.81)
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	609.12	52.75
Assumptions		
Interest rate	6.8% P.A.	6.8% P.A.
Estimated rate of return on plan assets	6.8% P.A.	6.8% P.A.

The expected benefits increases are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at 31st March 2022. The Company is expected to contribute Rs.1132.66 lacs to defined benefits plan obligations fund for the year ending 31st March 2023.

The significant accounting assumptions are the discount rate and expected salary increases. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period while other assumptions are constant.

If the discount rate increases /(decreases) by 0.5%, the defined benefit plan obligations would decrease by Rs.251.13 Lacs (increase by Rs.269.33 Lacs) as at 31st March 2022.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.266.63 Lacs (decrease by Rs.250.04 Lacs) as at 31st March 2022.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

b) Leave Encashment

The Company has provided for its Liability towards Leave encashment, based on the actuarial valuation, disclosure whereof in terms of Indian Accounting Standard (Ind AS) - 19, "Employee Benefits" is as under:

	Current Year	(Rs. in Lacs) Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	2432.91	2480.95
Service cost	343.58	126.32
Interest cost	165.32	168.59
Actuarial (gain) / loss	426.18	318.80
Benefits paid	(477.61)	(661.75)
Obligations at period end	2890.38	2432.91
b. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	2890.38	2432.91
Liability recognized in the balance sheet	2890.38	2432.91
c. Leave Encashment cost for the period		
Service cost	343.58	126.32
Interest cost	165.32	168.59
Actuarial (gain) / loss	426.18	318.80
Net Leave Encashment cost for the period	935.08	613.71
Assumptions		
Interest rate	6.8% P.A.	6.8% P.A.

39: Previous Year figures have been recasted / regrouped/ reclassified, wherever considered necessary.

40: The outbreak of coronavirus disease 2019 (COVID-19) has created an unprecedented global health crisis that has a deep impact on the businesses and economy. The Company operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Company's business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging, all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While the Company did face initial administrative and supply chain challenges in some countries during initial lockdown period, but there was no impact on its overall production and sales volumes during the year. While the Company believes that its business will continue to remain unscathed by the pandemic; however there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

41: Due to Outbreak of fire, certain assets situated in factory premises at Sector-60 NOIDA, were partially damaged during the year ended 31st March, 2020. These assets are covered under insurance on reinstatement basis for which Company has submitted the final claim of Rs. 637.94 Lacs upon reconstruction of damaged assets which become operational of 1st October 2021, which is expected to be recovered in full. Further, insurance Company has settled the claims in respect of assets fully destroyed in Jammu-2 location during the current financial year. The claim received in excess of the net book value has been adjusted from the Cost of the new assets installed in replacement of the same.

42: In the last quarter ended March 31, 2022, the Company has received dividend income of Rs. 2470.42 lacs for the period from the date of respective allotment to December 31 2021 on investment in 7.5% Cumulative Redeemable Preferences Shares aggregating to Rs. 15250 Lacs. The same along with dividend income for the remaining period of the current financial year of Rs. 282.02 Lacs, aggregates to Rs. 2752.44 lacs, has been recognised as income for the current year under the head "Other Income"- Note No-26 .

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
43: EARNINGS PER SHARE

The following disclosure is made, as required by Indian Accounting Standard (Ind AS-33) on "Earnings Per Share":-

	<u>Current Year</u>	<u>Previous Year</u>
(A) Profit for the year, after Adjustments, for computation of Basic Earning & Diluted Earning Per Share (Rs in Lacs); (viz. Numerator) (Rs. in lacs)	22232.48	23044.27
a Basic Earning	22232.48	23044.27
b Diluted Earning	22232.48	23044.27
(B) (i) Weighted Average Number of Equity Shares (viz. denominator) for Basic Earning Per Share	72211486	72211486
(ii) Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earning Per Share	72211486	72211486
(C) Nominal Value Per Share	Rs. 10/-	Rs. 10/-
(D) Earnings Per Share		
(a) Basic (A/B(i)) (Rs.)	30.79	31.91
(b) Diluted (A/B(ii)) (Rs.)	30.79	31.91

44: SEGMENT DISCLOSURE :

Segment disclosure in accordance with the Ind AS 108 on "Operating Segments" are as under:

Accounting Principles and policies, as reported in Significant Accounting policies, used in the preparation of financial statements are consistently applied to record revenue, expenditure, assets and liabilities, in each segment.

For the Year Ended 31st March 2022

Particulars	(Rs. in Lacs)			
	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	536025.91	31273.91	78.40	567378.22
- Transaction with other operating segments	-	5891.83	-	5891.83
Total Revenue	536025.91	37165.74	78.40	573270.05
Identifiable operating expenses	(463478.40)	(29977.65)	(10637.97)	(504094.02)
Less: Cost of Intersegment Purchase	(3641.80)	-	(2250.03)	(5891.83)
Operating Profit	68905.71	7188.09	(12809.60)	63284.20
Other Income				4681.23
EBIDTA				67965.43
Depreciation & Amortization Expenses				(25320.81)
EBITA				42644.62
Finance Cost				(15502.92)
Profit before Tax				27141.70
Tax expenses				(4909.22)
Net Profit				22232.48
Segment Assets as at 31st March 2022	465650.90	56143.40	66985.16	588779.46
Segment Liabilities as at 31st March 2022	113195.54	51136.00	156231.44	320562.98

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

For the Year Ended 31st March 2021

	(Rs. in Lacs)			
Particulars	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	433942.91	28922.63	469.81	463335.35
- Transaction with other operating segments	-	6342.83	-	6342.83
Total Revenue	433942.91	35265.46	469.81	469678.18
Identifiable operating expenses	(344636.65)	(27760.72)	(16541.00)	(388938.37)
Less: Cost of Intersegment Purchase	(3106.08)	-	(3236.75)	(6342.83)
Operating Profit	86200.18	7504.74	(19307.94)	74396.98
Other Income				2205.40
EBIDTA				76602.38
Depreciation & Amortization Expenses				(25964.72)
EBITA				50637.66
Finance Cost				(15228.18)
Profit before Tax				35409.48
Tax expenses				(12365.21)
Net Profit				23044.27
Segment Assets as at 31st March 2021	376698.10	52904.55	62371.55	491974.20
Segment Liabilities as at 31st March 2021	82452.20	47559.80	114326.82	244338.82

45: RELATED PARTY DISCLOSURES

(a) List of Related Parties (as per IND AS-24):

- i) **Subsidiaries** : Flex Middle East FZE, Uflex Europe Ltd., Uflex Packaging Inc., UPET Holdings Ltd., USC Holograms (P) Ltd. and Flex Chemicals (P) Ltd.
- ii) **Step down Subsidiaries** : Flex Films Europa Sp. z.o.o, Flex P Films (Egypt) S.A.E., UPET (Singapore) PTE. Ltd., Flex Americas S.A. de C.V., Flex Films (USA) Inc., Flex Films Africa Pvt. Ltd., Flex Films Europa Korlatolt Felelossegu Tarsasag (Hungary), Flex Films Rus LLC (Russia), Flex Foils Bangladesh Pvt. Ltd. (w.e.f. 13th July 2021) and Flex Specialty Chemicals (Egypt) S.A.E. (w.e.f. 9th March 2022).
- iii) **Associate** : Flex Foods Limited.
- iv) **Jointly Controlled Entities**: Digicyl Pte. Ltd. (Singapore) & Digicyl Ltd. (Israel) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)
- v) **Key Management Personnel & their relatives/ HUF** : Mr. Ashok Chaturvedi, Chairman & Managing Director (relatives, Mrs. Rashmi Chaturvedi, Mr. Anant Shree Chaturvedi, Mr. Apoorva Shree Chaturvedi & Ms. Anshika Chaturvedi), Ashok Chaturvedi (HUF), Mr. Jagmohan Mongia, Whole time Director (w.e.f. 11/02/2021), Mr. Amitava Ray, Wholetime Director (upto 01/02/2021), Mr. Rajesh Bhatia, CFO and Mr. Ajay Krishna, Company Secretary .
- vi) **Other Related Enterprises** : AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseas Pvt. Ltd., Apoorva Extrusion Pvt. Ltd., Anshika Consultants Pvt. Ltd., A.R. Leasing Pvt. Ltd., A.R. Infrastructures & Projects Pvt. Ltd., AC Infrastructures Pvt. Ltd., Cinflex Infotech Pvt. Ltd., Flex International Pvt. Ltd., Ultimate Infratech Pvt. Ltd., Ultimate Flexipack Ltd., Ultimate Prepress LLP, Naveli Collections Pvt. Ltd. (upto 21/12/2021), Modern Info Technology Pvt. Ltd., Magic Consultants Pvt. Ltd. and A.L.Consultants Pvt. Ltd.

(b) The Company has entered into transactions with certain parties listed above during the year under consideration. Details of these transactions are as follows :

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

	Transactions	Subsidiaries	Step down Subsidiaries	Associate	Jointly Controlled Entities	Key Management Personnel & their Relatives/ HUF	Other Related Enterprises as referred to in 'a (vi)' above	Total
i)	Trade Transactions							
	Sale of Goods/Services (Net)	31871.94	914.37	44.34	-	-	2545.08	35375.73
		24258.94	448.12	44.14	-	-	4020.70	28771.90
	Purchase of Goods/Services (Net)	8,137.37	2,395.23	-	-	-	32363.59	42896.19
		-	3,222.28	-	-	-	27838.72	31061.00
	Royalty	-	-	-	-	128.45	-	128.45
		-	-	-	-	210.00	-	210.00
	Sale of Fixed Assets	-	-	-	-	-	20.30	20.30
		-	-	-	-	-	2.40	2.40
	Sale of DEPB Licence	-	-	-	-	-	129.51	129.51
		-	-	-	-	-	-	-
	Dividend Income	-	-	58.70	-	-	-	58.70
		-	-	44.03	-	-	-	44.03
	Purchase of DEPB Licence	-	-	-	-	-	-	-
		-	-	71.91	-	-	-	71.91
	Technical Fees received	-	150.65	-	-	-	-	150.65
		-	369.00	-	-	-	-	369.00
	Licence & Support fees Received	291.93	509.62	-	-	-	-	801.55
		189.13	1185.48	-	-	-	-	1374.61
	Rent Received	-	-	9.00	-	63.60	64.56	137.16
		-	-	9.00	-	61.20	55.56	125.76
	Rent Paid	-	-	-	-	270.00	395.17	665.17
		-	-	-	-	264.00	190.58	454.58
	Interest Paid on Loans	-	-	-	-	-	-	-
		-	-	6.53	-	-	19.70	26.23
	Interest Received on Loans	114.91	-	73.56	3.70	-	-	192.17
		212.90	-	-	3.58	-	-	216.48
	Commission Received on extension of Corporate Guarantee	-	-	-	-	-	-	-
		-	199.77	-	-	-	-	199.77
	Remuneration *	-	-	-	-	1972.93	-	1972.93
		-	-	-	-	2441.99	-	2441.99
ii)	Non Trade Transactions							
	Repayment of Lease Liabilities	-	-	-	-	-	24.20	24.20
		-	-	-	-	-	228.79	228.79
	Dividend Paid	-	-	-	-	58.04	736.56	794.60
		-	-	-	-	46.43	589.25	635.68
	Repayment of Loan Taken	-	-	-	-	-	-	-
		-	-	100.00	-	-	675.00	775.00

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

		(Rs. in Lacs)						
Transactions	Subsidiaries	Step down Subsidiaries	Associate	Jointly Controlled Entities	Key Management Personnel & their Relatives/ HUF	Other Related Enterprises as referred to in 'a (vi)' above	Total	
Loan Given	2,750.00	-	3,000.00	-	-	-	5750.00	
	<i>1185.00</i>	-	-	-	-	-	<i>1185.00</i>	
Recovery of Loan Given	1,185.00	-	1,500.00	-	-	-	2,685.00	
	<i>1,891.00</i>	-	-	-	-	-	<i>1,891.00</i>	
Total	44351.15	3969.87	4685.60	3.70	2493.02	36278.97	91782.31	
	<i>27736.97</i>	<i>5424.65</i>	<i>275.61</i>	<i>3.58</i>	<i>3023.62</i>	<i>33620.70</i>	<i>70085.13</i>	
Balance as at 31st March, 2022								
Debit	28071.23	1318.28	1554.78	69.49	-	5431.76	36445.54	
	<i>15575.49</i>	<i>1401.24</i>	<i>0.01</i>	<i>63.79</i>	-	<i>5055.64</i>	<i>22096.17</i>	
Credit	6105.57	472.33	0.03	-	534.73	21159.41	28272.07	
	<i>756.25</i>	<i>1906.41</i>	-	-	<i>1,150.68</i>	<i>14226.92</i>	<i>18040.26</i>	

Previous year figures have been given in Italics.

*Includes	Current Year	Previous Year
Salary	1478.42	1229.81
Perquisites	41.57	57.38
Short Term Employees Benefits	2.94	19.80
Commission	450.00	1135.00
Total	1972.93	2441.99

The Company has extended Corporate Guarantee to the lenders of its Fellow Subsidiary. The outstanding amount of Corporate Guarantee extended by the Company as on the balance sheet date has been disclosed in Note No 33(B).

46: INFORMATION U/S 186(4) OF THE COMPANIES ACT, 2013 IN RESPECT OF LOANS GIVEN, INVESTMENTS MADE OR GUARANTEES GIVEN OR SECURITY PROVIDED DURING THE YEAR:

S .Name of the Company No.	Amount Rs. in Lacs	Purpose of the Loan
A Loans Given		
Flex Foods Limited	3000.00	General Corporate Purpose
USC Holograms Pvt Ltd	2750.00	General Corporate Purpose
Digicyl Pte. Ltd., Singapore	56.86	Renewal of General Corporate Purpose Loan Provided to the Company.
B Guarantees Given	NIL	
C Securities Provided	NIL	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
47: TRADE RECEIVABLE AGEING SCHEDULE

		(Rs. in Lacs)						
S. No.	Particulars	As at 31st March	Outstanding for following periods from due date of payment				Total	
			Less than 6 months	6 month- 1 year	1-2 years	2-3 years		more than 3 years
(i)	Undisputed Considered Good	2022	144663.22	14502.38	4764.21	2264.81	3250.18	169444.80
		2021	115079.42	10076.12	3893.90	3618.39	1181.96	133849.79
Following considered as having significant increase in credit risk:								
(ii)	Undisputed - Considered doubtful	2022	888.35	94.85	1362.83	12.29	2444.54	4802.86
		2021	-	-	467.34	849.52	895.22	2212.08
(iii)	Disputed considered good	2022	1.48	7.46	63.00	23.25	629.57	724.76
		2021	9.16	4.43	3.82	145.94	628.49	791.84
(iv)	Disputed considered doubtful	2022	169.03	9.99	726.81	387.32	996.76	2289.91
		2021	300.45	113.74	485.63	154.82	2995.56	4050.20
Total		2022	145722.08	14614.68	6916.85	2687.67	7321.05	177262.33
		2021	115389.03	10194.29	4850.69	4768.67	5701.23	140903.91

48: TRADE PAYABLE AGEING SCHEDULE

		(Rs. in Lacs)					
S. No.	Particulars	As at 31st March	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	2022	2586.53	-	-	-	2586.53
		2021	1497.21	-	-	-	1497.21
(ii)	Others	2022	105105.94	1968.20	23.55	118.51	107216.20
		2021	74587.67	425.11	89.39	228.97	75331.14
(iii)	Disputed dues-MSME	2022	-	-	-	-	-
		2021	-	-	-	-	-
(iv)	Disputed dues- Others	2022	-	-	-	-	-
		2021	-	-	-	-	-
Total		2022	107692.47	1968.20	23.55	118.51	109802.73
		2021	76084.88	425.11	89.39	228.97	76828.35

49: CAPITAL-WORK-PROGRESS AGEING SCHEDULE:

		(Rs. in Lacs)					
S. No.	Particulars	As at 31st March	Amount in Capital Work in Progress for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Project in Progress	2022	48469.15	224.66	-	-	48693.81
		2021	6249.22	-	-	-	6249.22
(ii)	Projects Temporarily suspended	2022	-	-	-	-	-
		2021	-	-	-	-	-
Total		2022	48469.15	224.66	-	-	48693.81
		2021	6249.22	-	-	-	6249.22

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

50: INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE:

(Rs. in Lacs)							
S. No.	Particulars	As at 31st March	Amount in Capital Work in Progress for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Project in Progress	2022	4.73	835.40			840.13
		2021	835.40	-	-	-	835.40
(ii)	Projects Temporarily suspended	2022	-	-	-	-	-
		2021	-	-	-	-	-
	Total	2022	4.73	835.40	-	-	840.13
		2021	835.40	-	-	-	835.40

51: FOLLOWING DISCLOSURES ARE MADE IN RELATION TO THE RATIOS TO BE DISCLOSED AS PER SCHEDULE-III

		(Rs.in lacs except for Ratio)		% Change	
		Current Year	Previous Year	During the Year	
(i)	Current Ratio	[a/b]	1.38	1.41	-2.1%
	Current Assets	a	277422.24	227635.64	
	Current Liabilities	b	201236.04	161757.38	
(ii)	Debt-Equity Ratio	[a/b]	0.65	0.52	25.0%
	Total Borrowings	a	175170.37	128945.39	
	Shareholder's Fund	b	268216.48	247635.38	
(iii)	Debt Service Coverage Ratio	[a/b]	1.92	3.38	-43.2%
	Earnings available for Debt Services (EBITDA)	a	62301.22	71619.09	
	Debt Obligations :				
	Instalments		22621.94	11260.19	
	Interest Expense		9755.99	9942.31	
	Total Debt Service	b	32377.93	21202.50	
(iv)	Return on Equity	[a/b]	8.6%	9.7%	-11.4%
	Profit after Tax	a	22232.48	23044.27	
	Opening Shareholders Fund	b(i)	247635.38	225959.72	
	Closing Shareholders Fund	b(ii)	268216.48	247635.38	
	Average Shareholders Fund	b ((i+ii)/2)	257925.93	236797.55	
(v)	Inventory Turnover Ratio	[a/b]	6.05	5.45	11.0%
	Cost of Goods Sold	a	370420.68	270800.47	
	Opening Inventory	b(i)	51243.10	48146.33	
	Closing Inventory	b(ii)	71210.64	51243.10	
	Average Inventory	b ((i+ii)/2)	61226.87	49694.72	
(vi)	Trade Receivables Turnover Ratio	[a/b]	3.67	3.65	0.5%
	Revenue from Sale of Goods & Services	a	556520.11	447262.28	
	Average Trade Receivable	b	151647.30	122646.58	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

		(Rs.in lacs except for Ratio)		% Change
		Current Year	Previous Year	During the Year
(vii) Trade Payables Turnover Ratio	[a/b]	4.63	4.47	3.6%
Purchases	a	431846.36	314108.33	
Average Trade Payables	b	93315.54	70257.76	
(viii) Net Capital Turnover Ratio	[a/b]	7.3	6.79	7.5%
Revenue from Sale of Goods & Services	a	556520.11	447262.28	
Working Capital	b	76186.20	65878.26	
(ix) Net Profit Ratio	[a/b]	3.99%	5.15%	-22.5%
Profit for the Year	a	22232.48	23044.27	
Revenue from Sale of Goods & Services	b	556520.11	447262.28	
(x) Return on Capital Employed	[a/b]	8.22%	11.85%	-30.7%
Earning before Interest & Tax	a	36518.44	45102.86	
Capital Employed	b	444337.88	380456.68	
(xi) Return on Investment				
(a) From Quoted Equity Instruments	[a/b]	1.11%	1.31%	-15.3%
Dividend Income	a	58.70	44.03	
Average Investment in Quoted Equity Instruments	b	5277.76	3366.34	
(b) From Unquoted Investments	[a/b]	6.01%	-	N.A
Investment Income (including Capital Gain / (Loss))	a	2741.67	-	
Average Unquoted Investments	b	45611.97	45765.55	

Note: The significant Change in these ratios are due to the additional borrowings by the Company during the year for its Expansion Project at Dharwad, Karnataka. The operation of this plant will commence in FY 22-23.

52: ADDITIONAL DISCLOSURE REQUIRED UNDER SCHEDULE-III OF THE COMPANIES ACT, 2013

- i) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (43 of 1988) and the rules made thereunder.
- ii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- iii) As per information available with the Management, the Company does not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. However the Company had made Investment in one of the struck off Company i.e. Fair Growth Financial Services Limited (Rs. 10.00 lacs represented by 100000 Equity Shares of Rs. 10/ Each) the value whereof has already been impaired in earlier years. Further the Company has no relationship with the struck off company except for the investment made in earlier years.
- iv) There was no charge or satisfaction, which is yet to be registered with concerned Registrar of Companies, beyond the period permitted under the Companies Act,2013.
- v) The Company is in compliance with the regulation as to the number of layers of companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restoration on number of Layers) Rules, 2014.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- vi) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii) There's no transaction which has not been recorded in the books of accounts and disclosed or surrendered as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

53: FINANCIAL INSTRUMENTS

The carrying value of instruments by categories are as follows:

Particulars	As At 31st March	Amortised Cost	Financial assets / liabilities at fair value through Profit or Loss	(Rs. in Lacs)	
				Financial assets / liabilities at fair value through OCI	Total Carrying Value
Assets					
Cash and cash equivalents (Including Other Bank Balances)	2022	16435.39	-	-	16435.39
	2021	20061.72	-	-	20061.72
Investments					
Equity and other securities	2022	46040.38	-	587.27	46627.65
	2021	46040.38	-	273.93	46314.31
Trade Receivables	2022	169444.80	-	-	169444.80
	2021	133849.79	-	-	133849.79
Loans	2022	4329.51	-	-	4329.51
	2021	1286.50	-	-	1286.50
Other financial assets	2022	2810.68	-	-	2810.68
	2021	4762.66	-	-	4762.66
Total	2022	239060.76	-	587.27	239648.03
	2021	206001.05	-	273.93	206274.98
Liabilities					
Trade payables	2022	109802.73	-	-	109802.73
	2021	76828.35	-	-	76828.35
Other financial liabilities	2022	10722.75	-	-	10722.75
	2021	10631.01	-	-	10631.01
Borrowings (less cumulative amortisation using effective interest method)	2022	170747.61	-	-	170747.61
	2021	124746.83	-	-	124746.83
Lease Liabilities	2022	4422.76	-	-	4422.76
	2021	4198.56	-	-	4,198.56
Total	2022	295695.85	-	-	295695.85
	2021	216404.75	-	-	216404.75

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Fair Value hierarchy disclosures:

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

Level 2: Input other than quoted price included within Level 1 that are observable for the assets or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Particulars	As At 31st March	Total	Level 1	Level 2	Level 3
Investment in equity instruments	2022	587.27	587.27	-	-
	2021	273.93	273.93	-	-
Investment in Preference Shares	2022	15250.00	-	-	15250.00
	2021	15250.00	-	-	15250.00

54: FINANCIAL RISKS MANAGEMENT

In the course of business, amongst others, the Company is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position.

The Company has formulated an appropriate policy and established a risk management framework which encompass the following process.

- identify the major financial risks which may cause financial losses to the company
- assess the probability of occurrence and severity of financial losses
- mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedures
- Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system.

The Company enterprise risk management system is monitored and reviewed at all levels of management, Audit Committee and the Board of Directors from time to time.

Credit Risk

Credit Risk refers to the risks that arise on default by the counterparty on its contractual obligation resulting into financial loss to the company. The Company may carry this Risk on Trade and other receivables, liquid assets and some of the non current financial assets.

In case of Trade receivables, the Company has framed appropriate policy for extending credits period & limit to each customer based on their profile, financial position and their external rating etc. The collections of trade dues are strictly monitored. In case of Export customers, even credit guarantee insurance is also obtained wherever required.

Company's exposure to Credit Risk is also influenced by the concentration of risk from top five customers. The details in respect of the % of sales generated from the top customer and top five customers are given hereunder.

Particulars	Current Year	Previous Year
Revenue from Top Customer	12%	14%
Revenue from Top Five Customers	22%	25%

The credit risk on cash & cash equivalent, investment in fixed deposits, liquid funds and deposits are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the rating agencies of international repute.

Liquidity Risk

Liquidity Risk arises when the Company is unable to meet its short term financial obligations as and when they fall due.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The Company maintains adequate liquidity in the system so as to meet its all financial liabilities timely. In addition to this, the Company's overall financial position is strong so as to meet any eventuality of liquidity tightness.

Contractual maturities of financial liabilities are given as under:

Particulars	(Rs. in Lacs)		
	As at 31st March 2022	Due within 12 months from Balance sheet Date	Due beyond 12 months of Balance Sheet Date
Borrowings	170747.61	67243.10	103504.51
Lease Liabilities	4422.76	784.39	3638.37
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	2586.53	2586.53	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	107216.20	107216.20	-
Other Financial Liabilities	10722.75	8675.46	2047.29

Interest Rate Risk

Generally market linked financial instruments are subject to interest rate risk. The Company does not have any market linked financial instruments both on the asset side as well liability side. Hence there is no interest rate risk linked to market rates.

However the interest rate in respect major portion of borrowings by the Company from the banks and others are linked with the Benchmark / Base Prime lending rate of the respective lender and in case of foreign currency borrowings, the same is linked with the LIBOR. Any fluctuation in the same either on higher side or lower side will result into financial loss or gain to the company.

The amount which is subjected to the change in the interest rate is of Rs. 152611.15 lacs out of the total debt of Rs. 170747.61 Lacs.

Based on the Structure of the debt as at year end, one percentage point increase in the interest rate would cause an additional expense in the net financing cost of Rs. 1526.11 Lacs.

Foreign Currency Risk

The Company is exposed to the foreign currency risk from transactions & translation. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

The carrying amount of the Company's material foreign currency dominated monetary Assets and Liabilities at the end of the reporting period is as below:

Currency	(Rs. in Lacs)			
	Monetary Assets		Monetary Liabilities	
	Current Year	Previous Year	Current Year	Previous Year
USD	14644.23	10728.14	23352.66	10478.10
Euro	10123.70	6292.41	27763.19	3558.69
GBP	8225.59	3901.96	97.03	133.33

Following Table Summaries approximate gain /(loss) on Company's Profit before tax on account of appreciation and depreciation of underlying foreign currencies of the above table

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

Currency	Effect on Profit before tax	
	Current Year	Previous Year
Closing USD Rate (in Rs.P.)	75.81	73.50
Closing Euro Rate (in Rs.P.)	84.66	86.10
Closing GBP Rate (in Rs.P.)	99.55	100.95
5% appreciation (Rs.in lacs)	(910.97)	337.62
5% depreciation (Rs.in lacs)	910.97	(337.62)

Commodity Price Risk

The main raw materials which the Company procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly.

The pricing policy of the Company final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.

With regard to the finished products, the Company has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products.

In order to combat this situation, the Company formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, Company counters the competition and consequently commodity price risk.

Signatories to Notes 1 to 54

For and on behalf of the Board of Directors

Rajesh Bhatia
 Group President
 (Finance & Accounts) & CFO

Ajay Krishna
 Sr.Vice President (Legal) & Company Secretary
Rakesh Malhotra
 Vice President- Corp Accounts

Place : NOIDA
 Dated : 28th May, 2022

Jagmohan Mongia
 Whole-time Director
 DIN 09051022

For **MSKA & Associates**
 Chartered Accountants
 Firm's Registration No.: 105047W

Vinod Gupta
 Partner
 M.No.: 503690

Ashok Chaturvedi
 Chairman & Managing Director
 DIN 00023452

For **KAAP & Associates**
 Chartered Accountants
 Firm's Registration No.: 019416N

Deepak Sehgal
 Partner
 M.No.: 085391

INDEPENDENT AUDITOR'S REPORT

To the Members of Uflex Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Uflex Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its Associate and Jointly Controlled Entities, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors, on separate financial statements and on the other financial information of Subsidiaries, Associate and Jointly Controlled Entities, not audited by 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, its Associate and Jointly Controlled Entities as at March 31, 2022, of their Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, its Associate and Jointly Controlled Entities in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>Revenue including receivables</p> <p>The Group derives its revenues from multiple products and services including flexible packaging activities, engineering and related activities, etc. Revenue from sale of goods is recognised at a point in time when the control has been transferred subject to the terms with the customers, which generally coincides with dispatch of goods to customers in case of domestic sales and on the basis of bill of lading in the case of export sales. Revenue, from the service contract is recognized when the related services are performed & revenue from the services at the end of the reporting period is recognized bases on the percentage of completion method.</p> <p>Revenue including receivables is identified as a key audit area due to the significance as regards the time and efforts in assessing the appropriateness of revenue recognition covering the aspects of completeness, occurrence, cut off, rights and obligations, etc.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Group's revenue recognition accounting policies in compliance with Ind AS 115 "Revenue from Contracts with Customers". - Obtained an understanding and assessed the design and operating effectiveness of key internal controls over the revenue process and placed specific attention on the timing, occurrence and value of the revenue recognition. - Performed sales transaction testing based on a representative sample to ensure that the related revenues are recorded appropriately taking into consideration the sales terms and conditions for the sale orders, including the shipping terms, etc. Also performed procedures regarding the sales returns, trade discounts, rate differences, volume rebates and other factors, having bearing on the revenue recognition. - Performed sales cut off procedures by matching dispatches/ deliveries occurring around the year end to support the documentation to establish that sales are properly recorded in the correct period. - Verified the customers with overdue receivables with marginal or no movement to determine the level of provisioning required in the receivable. - Verified the adequacy of disclosure in the financial statements in compliance with Ind AS 115.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>Capitalisation of Property, Plant and Equipment</p> <p>The Group continues to invest in significant capital projects with capital expenditure during the current year. The significant level of capital expenditure requires consideration of the determination of the timing of asset ready for its intended use by the management and the nature of costs incurred to ensure that capitalisation of Property, Plant and Equipment meets the specific recognition criteria in Ind AS 16, 'Property, Plant and Equipment', specifically in relation to assets constructed / installed by the Group and the direct incidental cost capitalised with the Property, Plant and Equipment.</p> <p>Due to the above, capitalisation of property, plant and equipment involves the risk of material misstatement as a result of the long-term nature and complexity of the specific projects and hence has been identified as Key Audit Matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Group's 'Property, Plant and Equipment' accounting policies in compliance with Ind AS 16 "Property, Plant and Equipment". - Obtained an understanding and assessed the design, implementation and operating effectiveness of controls in respect of the timing and amounts capitalised with the property plant and equipment; - Performed substantive analytical procedures, assessing the nature of Property, Plant and Equipment capitalised by the Group to verify the validity of amounts capitalised and evaluating whether assets capitalised meet the recognition criteria set out in Ind AS 16. - Verified the timing of the capitalisation in terms of criteria met by the Group for the intended use of the Property, Plant and Equipment. - Verified that capitalisation of assets ceased when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the Group and that a consistent approach was applied by the Group across all significant operations.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and its Board of Directors are responsible for the other information. The other information, comprises the information, included in the Holding Company's annual report but does not include the Standalone and Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, changes in equity and consolidated cash flows of the Group, including its Associate and Jointly Controlled Entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Associate and Jointly Controlled Entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities are responsible for assessing the ability of the Group and of its Associate and Jointly Controlled Entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group, Associate and Jointly Controlled Entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Associate and Jointly Controlled Entities are responsible for overseeing the financial reporting process of the Group and of its Associate and Jointly Controlled Entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (“SAs”) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its Subsidiary and an Associate, which are Companies incorporated in India, have internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associate and Jointly Controlled Entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and its Associate and Jointly Controlled Entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associate and Jointly Controlled Entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. The Consolidated Financial Statements include financial statements/ other financial information in respect of a sole Indian Subsidiary, which reflect total assets of Rs. 10,062.79 lacs as at March 31, 2022, total revenues of Rs. 5,275.08 lacs and net cash outflow of Rs. 92.00 lacs for the year ended March 31, 2022, which have been audited by one of us, i.e. KAAP & Associates.
- b. We did not audit the financial statements/ financial information of 14 Subsidiaries, whose financial statements / financial information reflect total assets of Rs. 1,220,136.07 lacs as at March 31, 2022, total revenues of Rs.

939,957.04 lacs and net cash inflows amounting to Rs. 784.19 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit after tax of Rs. 429.82 lacs and other comprehensive income of Rs. 2.91 lacs for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of one Associate, whose financial statement / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and Associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries and Associate, is based solely on the reports of the other auditors.

Most of these Subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such Subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such Subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- c. We did not audit the financial statements / financial information of one Subsidiary, whose financial statements / financial information reflect total assets of Rs. 885.14 lacs as at March 31, 2022, total revenues of Rs. Nil and net cash inflows amounting to Rs. 152.35 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net loss of Rs. 362.00 lacs and Other Comprehensive Income /(Loss) of Rs. Nil Lacs for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of two Jointly Controlled Entities, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been certified and furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary and Jointly Controlled Entities, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiary and Jointly Controlled Entities, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, financial statements / financial information of above subsidiary and two Jointly Controlled Entities, are not material to the Group.
- d. The Consolidated Financial Statements of the Holding Company for the year ended March 31, 2021, were audited by one of us, i.e. KAAP & Associates, when we/they were the sole statutory auditors of the Company and our report dated June 29, 2021 expressed an unmodified opinion on those statements.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received as on March 31, 2022, from the Directors of the Holding Company, its Subsidiary and an Associate, incorporated in India & taken on record by the respective Board of Directors of the Holding Company, above referred Subsidiary and Associate, none of the directors of the Holding Company, above referred Subsidiary and Associate, are disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of internal financial controls over financial reporting of the Holding Company, its Subsidiary and Associate Companies which are incorporated in India 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 with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2022, on the consolidated financial position of the Group, its Associate and Jointly Controlled Entities— Refer Note 33-I (A), 33-I (C) & 33-II (i) to the Consolidated Financial Statements.
 - ii. The Group, its Associate and Jointly Controlled Entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. (a) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Associate, incorporated in India.
(b) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary, incorporated in India.
 - iv. (a) The respective Managements of the Holding Company and its Subsidiary and Associate, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the auditors of such Subsidiary and Associate, respectively represent that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such Subsidiary and Associate, to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such Subsidiary and Associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The respective Managements of the Holding Company and its Subsidiary and Associate which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the auditors of such Subsidiary and Associate respectively represent that, to the best of their knowledge and belief, no funds have been received by the Holding Company or such Subsidiary and Associate from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or such Subsidiary and Associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of above Subsidiary and Associate, incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material mis-statement.
 - (v) On the basis of our verification and on consideration of the reports of the statutory auditors the Subsidiary and the Associate, that are Indian companies under the Act, we report that:
 - (a) The final dividend proposed in the previous year, declared and paid by the Holding Company and its Associate during the year, is in accordance with section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Holding Company and its Associate have proposed final dividend for the year, which is subject to the approval of the respective members at their respective ensuing Annual General Meetings (Refer Note 13 (D) to the Consolidated Financial Statements). The amount of dividend proposed by the respective Board of Directors, is in accordance with section 123 of the Act, as applicable.
 - (c) The Subsidiary company, incorporated in India, has neither declared nor paid any dividend during the year.

CIN: L74899DL1988PLC032166

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid / provided by the Holding Company and Associate, incorporated in India, to their directors during the year, is within the limits laid prescribed under Section 197 of the Act, read with Schedule V of the Act. Further, no managerial remuneration is provided by the Subsidiary, incorporated in India.
3. According to the information and explanations given to us and based on the Companies (Auditor's Report) Order, 2020 ("CARO"), reports issued by us on the Standalone Financial Statements of the Holding Company and on consideration of CARO reports issued by statutory auditors of a Subsidiary and an Associate, incorporated in India, included in the Consolidated Financial Statements, we report that there are no Qualifications/adverse remarks in the respective reports.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For KAAP & Associates
Chartered Accountants
Firm Registration No.: 019416N

Vinod Gupta
Partner
Membership No. 503690
UDIN : 22503690AJULFZ8792

Deepak Sehgal
Partner
Membership No. 085391
UDIN : 22085391AJZUCF2272

Place: NOIDA
Date: May 28, 2022

Place: NOIDA
Date: May 28, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UFLEX LIMITED

[Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Uflex Limited on the Consolidated Financial Statements for the year ended March 31, 2022]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Uflex Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its Subsidiary and its Associate, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us & based on the considerations of reports issued by other auditors, as referred to in "Other Matter" Paragraph below, the Holding Company, its Subsidiary and its Associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting", issued by "the Institute of Chartered Accountants of India" ("the ICAI") ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Holding Company, its Subsidiary and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in 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 their respective businesses, including adherence to the respective Company's policies, the safeguarding of their respective assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its Subsidiary and its Associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of respective reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its Subsidiary and its Associate, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to a Subsidiary and an Associate, which are companies incorporated in India, is based on the corresponding reports of one of us (viz. KAAP & Associates in respect of such Subsidiary) and of the auditors of such Associate Company.

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For KAAP & Associates
Chartered Accountants
Firm Registration No.: 019416N

Vinod Gupta
Partner
Membership No. 503690
UDIN : 22503690AJULFZ8792

Deepak Sehgal
Partner
Membership No. 085391
UDIN : 22085391AJZUCF2272

Place: NOIDA
Date: May 28, 2022

Place: NOIDA
Date: May 28, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

Particulars	Note No.	(Rs. in Lacs)	
		As At 31st March 2022	As At 31st March 2021
I ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2A	58853.55	466269.06
b) Capital Work-in-Progress		66221.94	150917.84
c) Investment Property	2B	1102.89	1221.87
d) Intangible assets	2C	2171.38	3321.82
e) Right of use assets	2D	49591.19	32401.61
f) Intangible assets under development		840.13	835.40
g) Financial Assets			
i) Investments	3	21217.25	20529.88
ii) Loans	4	5623.47	46.37
iii) Other Non-Current Financial Assets	5	8462.60	8310.71
h) Other Non-Current Assets	6	31020.58	25247.39
Total Non-Current Assets		775104.98	709101.95
Current assets			
a) Inventories	7	183140.05	115057.11
b) Financial Assets			
i) Trade Receivables	8	351074.30	240143.93
ii) Cash and Cash equivalents	9A	53978.69	51667.83
iii) Bank Balances other than (ii) above	9B	4848.74	9912.09
iv) Loans	10	1964.14	3024.22
v) Other Financial Assets	11	5019.98	3050.27
c) Other Current Assets	12	68980.17	50002.60
Total Current Assets		669006.07	472858.05
TOTAL ASSETS		1444111.05	1181960.00
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	7221.15	7221.15
b) Other Equity	14	662363.04	548441.05
Total Equity		669584.19	555662.20
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	307184.32	280669.61
ii) Lease Liabilities		20973.72	4727.26
iii) Other Financial Liabilities	16	6885.79	6590.56
b) Provisions	17	3153.03	2851.94
c) Deferred Tax Liabilities (Net)	18	28555.39	29607.21
Total Non-Current Liabilities		366752.25	324446.58
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	19	149066.35	117843.34
ii) Lease Liabilities		1438.31	835.12
iii) Trade Payables	20		
- Total outstanding dues of Micro & Small enterprises		2586.53	1497.21
- Total outstanding dues of creditors other than Micro & Small enterprises		192154.07	133213.83
iv) Other Financial Liabilities	21	27252.62	24011.36
b) Other Current Liabilities	22	17094.96	13440.98
c) Provisions	23	2536.78	2542.01
d) Current Tax Liabilities (Net)	24	15644.99	8467.37
Total Current Liabilities		407774.61	301851.22
TOTAL EQUITY AND LIABILITIES		1444111.05	1181960.00

The accompanying Notes from S.No. 1 to 53 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

This is the Consolidated Balance Sheet referred to in our report of even date attached

Rakesh Malhotra
Vice President- Corp Accounts

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Note No.	(Rs. in Lacs)	
		For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
INCOME:			
Revenue from Operations			
Gross Revenue from Sale of Products & Services	25 (A)	1342266.96	912042.05
Less : Inter unit Revenue from Sales of Products & Services		46627.67	44590.91
Net Revenue from Sale of Products & Services		1295639.29	867451.14
Other Operating Income	25 (B)	17073.88	21438.71
Revenue from Operations		1312713.17	888889.85
Other Income	26	10897.56	2466.12
Share in Profit of the Associate for the Year		429.82	565.57
Share in (Loss) of Joint Ventures for the Year		(362.00)	(435.01)
Total Income		1323678.55	891486.53
EXPENSES:			
Cost of materials consumed	27	802173.70	468066.52
Purchase of Stock-in-Trade		10163.96	5894.52
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(36387.13)	(3261.18)
Employee benefits expense	29	92494.73	79897.76
Finance costs	30	32246.18	22906.76
Depreciation and amortization expense		53712.02	45572.76
Other expenses	31	229313.07	160949.27
Expenses Allocated to Self Constructed Assets	32	(2077.73)	(2759.16)
Total Expenses		1181638.80	777267.25
Profit before exceptional items and tax		142039.75	114219.28
Exceptional Items (Refer Note No. 37)		(3,809.93)	-
Profit before tax and after exceptional items		138229.82	114219.28
Less / (Add) : Tax expense:			
- Current tax		29397.72	20080.98
- Deferred tax		(1814.36)	10499.48
- Short / (Excess) Provision of Income Tax for earlier years		704.23	(729.02)
Profit for the year before Minority Interest		109942.23	84367.84
Non Controlling Interest		(116.50)	(77.83)
Profit for the year		109825.73	84290.01
Other Comprehensive Income			
a. Items that will be reclassified subsequently to Profit or Loss			
Exchange Difference on translation of foreign operations		5628.23	2604.13
b. Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		(609.12)	(52.75)
Fair Value Changes/ Realised of / on Equity Instruments		609.73	556.18
Income tax relating to items that will not be reclassified Subsequently to Profit & Loss		153.30	(89.05)
Share in aggregate other comprehensive income of the Associate (Net of Tax)		2.91	9.26
Total (b)		156.82	423.64
Total Other Comprehensive Income for the year (a+b)		5785.05	3027.77
Total Comprehensive Income for the Year		115727.28	87395.61
Total Comprehensive Income for the Year attributable to:			
- Owners of the Holding Company		115610.78	87317.78
- Non-Controlling Interest		116.50	77.83
Earnings Per Equity Share			
a) Basic (Rs.)		152.09	116.73
b) Diluted (Rs.)		152.09	116.73

The accompanying Notes from S.No. 1 to 53 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

This is the Consolidated Statement of Profit & Loss referred to in our report of even date attached

Rakesh Malhotra
Vice President- Corp Accounts

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Other Equity										Total	Attributable to Owners of the Company	Attributable to Non Controlling Interest
	Reserve & Surplus			Items of Other Comprehensive Income				Other Equity					
	Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Exchange differences on translating financial statements of foreign operations	Exchange differences on devaluation of Currency	Remeasurement of Defined Benefit Plans	Share in aggregate Other Comprehensive Income of Associate			
Balance as at 1st April 2020	7221.15	10377.76	57110.63	21776.48	3580.85	341189.17	(2553.70)	42027.69	(9525.32)	(1450.36)	(45.45)	468976.86	732.04
Total Other Comprehensive Income for the Year (Net of Tax)							467.13	2604.13	-	(52.75)	9.26	3027.77	-
Dividend Paid						(1444.23)						(1444.23)	-
Profit for the Year						84367.84						84367.84	77.83
Amount transferred to retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)						338.76	(338.76)					-	-
Amount transferred to General Reserve & Legal Reserve						(2859.79)						(2859.79)	-
Amount Transferred from Retained Earnings				939.83								2859.79	-
Balance as at 31st March 2021	7221.15	10377.76	57110.63	22716.31	5500.81	421591.75	(2425.33)	44631.82	(9525.32)	(1503.11)	(36.19)	555660.28	809.87
Balance as at 1st April 2021	7221.15	10377.76	57110.63	22716.31	5500.81	421591.75	(2425.33)	44631.82	(9525.32)	(1503.11)	(36.19)	555660.28	809.87
Total Other Comprehensive Income for the Year (Net of Tax)							609.73	5628.23	-	(455.82)	2.91	5785.05	-
Dividend Paid						(1805.29)						(1805.29)	-
Profit for the Year						109942.23						109942.23	116.50

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

Particulars	Other Equity										Total	Attributable to Owners of the Company	Attributable to Non Controlling Interest	
	Equity Share Capital		Reserve & Surplus			Items of Other Comprehensive Income								
	Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Exchange differences on translating financial statements of foreign operations	Exchange differences on devaluation of Currency	Remeasurement of Defined Benefit Plans	Share in aggregate Other Comprehensive Income of Associate				
Amount transferred to retained Earning on Disposal of Investment recognized through Other Comprehensive Income (Net of Tax)					(10.77)	10.77							-	-
Amount transferred to General Reserve & Legal Reserve					(3386.23)								(3386.23)	-
Amount Transferred from Retained Earnings			830.63	2555.60									3386.23	-
Balance as at 31st March 2022	7221.15	10377.76	57110.63	23546.94	8056.41	526331.69	(1804.83)	50260.05	(9525.32)	(1958.93)	(33.28)	669582.27	668655.90	926.37

The accompanying Notes from S.No. 1 to 53 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr. Vice President (Legal) & Company Secretary

This is the Consolidated Statement of Changes in Equity referred to in our report of even date attached

Rakesh Malhotra
Vice President- Corp Accounts

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	(Rs.in Lacs)		
	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax after exceptional items	138229.82		114219.28
Adjustment for :			
Share in Profit of the Associate for the Year	(429.82)		(565.57)
Share in (Profit) /Loss of the Joint Ventures for the Year	362.00		435.01
Exchange differences on translation of foreign operations (net of adjustment to cost of Property, Plant & Equipment (PPE), Intangibles, Right of use Assets & Deferred Tax)	4175.17		1430.13
Depreciation & amortisation expense	53712.02		45572.76
Exchange rate fluctuations (Net of exceptional items)	2605.49		(4361.92)
Loss on Sale of Property, Plant & Equipment (Net)	84.31		258.06
Property, Plant & Equipments written Off	23.06		69.64
Gain on sale of Investment Property	(10.76)		-
(Gain)/ Loss on sale of Right to Use Assets	(5.21)		(9.54)
Finance Cost	32246.18		22906.76
Interest rate swaps Derivative designated as FVTPL	(3807.73)		-
Interest received from Banks / others	(2241.78)		(969.31)
Rent Received	(968.26)		(975.74)
Dividend on 7.5% Cumulative Redeemable Preference Shares	(2752.44)		-
Gain on sale of units of Mutual Funds (Net)	-		(0.26)
Sundry Credit Balances written Back	(321.13)		(185.80)
Remeasurement of the net defined benefit liability / asset	(609.12)		(52.75)
Amount utilised from allowance for bad and doubtful Trade receivables	(1301.51)		(863.56)
Allowance for bad and doubtful Trade receivables	4385.85		4364.12
Sundry Debit Balances / Bad Debts written off	4249.99	89396.31	5437.57
Operating Profit before Working Capital changes	227626.13		186708.88
Adjustment for :			
Trade Receivables	(117943.57)		(54566.50)
Other financial assets and other assets	(19060.58)		(13126.78)
Inventories	(68082.94)		(29562.54)
Trade payables	60029.56		29463.37
Other financial liabilities, Other Liabilities and Provisions	12012.32	(133045.21)	12272.59
Cash generated from operations	94580.92		131189.02
Income Tax	(22771.03)		(18105.30)
Exchange rate fluctuations	(2605.49)	(25376.52)	4361.92
Cash from operating activities	69204.40		117445.64
Net Cash generated from operating activities (A)	69204.40		117445.64

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

	(Rs.in Lacs)	
	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (PPE) & Intangible assets	(98302.39)	(112102.49)
Sale proceeds of PPE & Intangibles etc.	1950.15	556.28
(Outflow) / Inflow on Investments (Net)	(160.21)	37.09
Loans to Employees & Others	(5569.66)	33.49
Loan to Joint Venture	(1.73)	1.41
Loan to Body Corporate	2561.24	76.21
Interest received from Banks / others	2241.78	969.31
Rent Received	968.26	975.74
Dividend on 7.5% Cummulative Redeemable Preference Shares	2752.44	-
Net Cash used in Investing Activities (B)	(93560.12)	(109452.96)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1809.72)	(1449.13)
Lease Payments	(2864.42)	(1102.10)
Finance Cost	(31460.35)	(23468.36)
Borrowings (Net)	57737.72	39445.58
Net Cash used in Financing Activities (C)	21603.23	13425.99
Net (Decrease) / Increase in Cash and Cash equivalents (A+B+C)	(2752.49)	21418.67
Cash and Cash equivalents (As per Note No 9)		
Opening Cash and Cash equivalents	61579.92	40161.25
Closing Cash and Cash equivalents #	58827.43	61579.92

#Includes Rs. 4848.74 lacs (Previous Year Rs. 9912.09 lacs) in respect of amount lying in unclaimed dividend accounts / margin money accounts / fixed deposits pledged with banks as margin for letter of credits, guarantees & bills discounted.

The accompanying Notes from S.No. 1 to 53 form an Integral Part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Ajay Krishna
Sr.Vice President (Legal) & Company Secretary

Rakesh Malhotra
Vice President- Corp Accounts

Place : NOIDA
Dated : 28th May, 2022

Jagmohan Mongia
Whole-time Director
DIN 09051022

This is the Consolidated Cash Flow Statement referred to in our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm's Registration No.: 105047W

Vinod Gupta
Partner
M.No.: 503690

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

For **KAAP & Associates**
Chartered Accountants
Firm's Registration No.: 019416N

Deepak Sehgal
Partner
M.No.: 085391

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPERATION OF FINANCIAL STATEMENTS

The financial statements of the group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use. Financial statements of the group are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies.

The financial statements are presented in Indian Rupees (INR). Amount has been rounded off to nearest lacs.

B. BASIS AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise those of UFLEX Limited and its affiliated companies (the Group).

Companies which the group controls are fully consolidated from the date at which the Group obtains the control over the entity. The Group controls the entity when it is exposed to, or has right to, variable returns from its involvement with the company and has ability to affect those returns through its power over the company. The Group holds either full or majority of voting rights in the companies which are controlled.

The financial statements of the Group Companies are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, subject to regrouping & netting of certain items, which present the consolidation in a fair manner without affecting the materiality, after eliminating the intra-group transactions and also unrealized profit or losses resulting from intra-group transactions included in the carrying amount of assets. The group financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as that of holding company's financial statements. Non-controlling interest which represent part of the net profit or loss and net assets of the subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. The excess / short amount of investment of the Group over its share in the net assets of the respective affiliates is recognized as Goodwill or Capital Reserve in the financial statement.

Associates are entities over which the Group has significant influence, but not control. Investments in the associate companies have been accounted under the Equity Method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or reduced by the amount of share in profit & loss of the investee after the date of acquisition. The Groups investment in associates includes goodwill identified on acquisition.

Joint Ventures are entities over which the Group has joint control. Investments in the joint venture have been accounted under the Equity Method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or reduced by the amount of share in profit & loss of the investee after the date of acquisition.

The list of companies of the UFLEX Group, associates and joint ventures are given as under:

Sr. No.	Name of the Company	Country of Incorporation	Relation	Ownership Interest
1	Uflex Europe Limited	London-UK	Subsidiary	100%
2	Uflex Packaging Inc.	USA	Subsidiary	100%
3	Flex Middle East FZE	Dubai-UAE	Subsidiary	100%
4	Flex P. Films (Egypt) S.A.E.	Egypt	Subsidiary	100%
5	Flex Films Europa Sp. Z.o.o.	Poland	Subsidiary	100%
6	UPET Holdings Limited	Mauritius	Subsidiary	100%
7	UPET (Singapore) PTE Ltd.	Singapore	Subsidiary	100%
8	Flex Americas S.A.de C.V.	Mexico	Subsidiary	100%
9	Flex Films (USA) Inc.	USA	Subsidiary	100%

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Sr. No.	Name of the Company	Country of Incorporation	Relation	Ownership Interest
10	USC Holograms (P) Ltd.	India	Subsidiary	68%
11	Flex Chemicals Pvt. Ltd.	Russia	Subsidiary	100%
12	Flex Films Africa Pvt. Ltd.	Nigeria	Subsidiary	100%
13	Flex Films Europa Korlatolt Felelossegu Tarsasag	Hungary	Subsidiary	100%
14	Flex Films RUS LLC	Russia	Subsidiary	100%
15	Flex Foils Bangladesh Pvt. Ltd.	Bangladesh	Subsidiary	100%
16	Flex Specialty Chemicals (Egypt) S.A.E.	Egypt	Subsidiary	100%
17	Digicyl Pte. Ltd.	Singapore	Joint Venture	50%
18	Digicyl Limited	Israel	Joint Venture	50%
19	Flex Foods Limited	India	Associate	47.15%

Business Combinations

Business combinations are accounted for using the acquisition method. Where not all of the equity of a Acquiree is acquired the non-controlling interests are recognized at the non-controlling interest share in net identifiable assets of the Acquiree. Upon obtaining control in a business combination achieved in stages, the Group remeasures its previously held equity interest at fair value and recognizes a gain or a loss to the other comprehensive income.

All the figures of assets, liabilities, revenue & expenses of subsidiaries, which are stated in foreign currency in its separate financial statements, are converted into Indian Rupees in accordance with the Ind AS 21 on "The Effects of Changes in Foreign Exchange Rates".

C. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both current and future.

D. CLASSIFICATION OF EXPENDITURE / INCOME

Except otherwise indicated:

- i) All expenditure and income are accounted for under the natural heads of account.
- ii) All expenditure and income are accounted for on accrual basis.

E. REVENUES

Revenues from sale of goods and processing

Revenue from the sale of goods and processing of material (Job Work) in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts, rate differences and volume rebates. Revenue is recognized at point of time, which represents transfer of control to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over the goods and the amount of revenue can be measured reliably. The timing of transfer of control normally happens upon shipment. However in case of consignment sales to agents revenues are recognized when the materials are sold to ultimate customers.

Further, revenues are recognized at gross value of consideration of goods & processing of goods excluding Goods and Service Tax (GST).

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Revenue from Services

Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed. In case where the services are performed by an indeterminate number of acts over a specified period of time, revenue is recognized on a straight line basis over the specified period. After the initial recognition, in respect of uncollectible amount, provisions are made in the period in which amount is identified as uncollectible.

Interest Income

Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

Dividend Income

Dividend income is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

F. PROPERTY, PLANT AND EQUIPMENT (PPE)

Recognition and measurement:

Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

Cost of Self-constructed assets is determined using the same principles as for acquired assets after eliminating the component of internal profits.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit or loss.

In respect of Holding Company & a subsidiary company incorporated in India, depreciation on all property, plant & equipment are provided for, from the date of put to use for commercial production on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013 & in respect of Group Companies incorporated outside India, useful life of Property, Plant & Equipment, is estimated as per respective local GAAP, except for the followings, where the management of the Holding Company / Group believes that technical useful lives is different from those prescribed in Schedule II of the Companies Act, 2013 or respective local GAAP, based on technical evaluation, past experience, uses and nature:

Particulars	Description
Rotogravure Cylinders & Shims (useful life of 3 Years)	Over the useful life as technically specified by the management based on the past experience
Continuous process Plant for Packaging Film (useful life of 20 Years)	Over the useful life as technically specified by the management based on the past experience
Identifiable separate components of Plant & Equipment (useful life of 3 to 7 years)	Over the useful life as technically specified by the management based on the past experience
Office Equipment (useful life of 3 to 6 years)	Over the useful life as specified by the management based on the past experience, usage and nature.
Furniture & fixtures (useful life of 1 to 10 years)	Over the useful life as specified by the management based on the past experience, usage and nature.
Vehicles (useful life of 5 to 8 years)	Over the useful life as specified by the management based on the past experience, usage and nature.
Aircraft (useful life of 20 years)	Over the useful life as technically specified by the management based on the past experience

Cost of leasehold land are written-off over the primary lease period of the land expect of the leasehold land, held by the Group on the date of transition, which is amortised over the remaining useful lives of the assets. Freehold land is not depreciated.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

G. INTANGIBLE ASSETS

Acquired Intangible assets are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition intangibles are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets in respect of Product development is created when the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the product / technology and the cost is reliably measurable. Revenue expenditures pertaining to Research is charged to the statement of profit & loss. Development costs of products are charged to the statement of profit & loss unless a products technological and commercial feasibility has been established in which case such expenditure is capitalized. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment loss, if any.

Intangibles assets are amortised over their respective individual estimated useful lives on a straight line basis, from the date they are available for use, as per period prescribed in respective license/ agreement or five years.

Intangible asset is derecognized on disposal or when no future economic benefits are expected from continuing use or disposal.

The estimated useful lives, residual values and amortization method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

H. INVESTMENT PROPERTIES

Investment properties are initially recognized at cost after deducting refundable purchase taxes and including the transaction cost, if any. After initial recognition the investment properties are carried at cost less accumulated depreciation and impairment losses, if any.

Transfer to and from the investment properties are made when and only when, there is change in the use of the investment property as evidenced by the conditions laid down under the Indian accounting standard. The carrying amount of the property as on the date of classification is considered as carrying value of the investment property and vice-versa.

Depreciation on investment properties are provided for, from the date of put to use on straight line method at the useful lives prescribed in Schedule-II to the Companies Act, 2013.

The carrying amount of the investment properties are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The fair value of the investment properties are disclosed in the notes.

I. INVENTORIES

Inventories of finished goods and work in progress are valued at lower of cost, based on weighted average method, (except in case of machine manufacturing where specific identification method is used) arrived after including depreciation on plant & machinery, electrical installation, right to use assets and factory building, repair & maintenance on factory building, specific manufacturing expenses including specific payments & benefits to employees or net realizable value.

Raw Materials and other materials including packaging, stores and fuels are valued at lower of cost, based on first-in-first-out method arrived at after including freight inward and other expenditure directly attributable to acquisition or net realizable value.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and sales.

J. FINANCIAL INSTRUMENTS

Initial Recognition:

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables/payables and where cost of generation of fair value exceeds benefits, which are initially measured at transaction price. Transaction costs directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through statement of profit & loss) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through statement of profit & loss are recognized immediately in the statement of profit & loss.

Subsequent Recognition:

Non-derivative financial instruments

- (i) **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election for its investments which are classified as equity instruments (all being not held for trading), to present the subsequent changes in fair value in other comprehensive income based on its business model.

Fair value of the listed equity instruments are measured using the rate quoted in the stock exchange wherein the securities are actively traded as on the last working day of the period of reporting. In respect of unlisted equity instruments, fair value is determined based on the latest audited financial statements and considering the open market information available, failing which it shall be measured at cost.

- (iii) **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories (including investment in units of mutual funds) is subsequently measured at fair value through profit or loss.
- (iv) **Financial liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
- iv) Derivative financial instruments
- (vi) **Derivative financial instruments;** The Group holds derivative financial instruments to hedge its interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised through profit or loss.

K. TRADE RECEIVABLES

Trade receivables represents amount billed to customers as credit sales and are net off; a) any amount billed but for which revenues are reversed under the relevant Indian accounting standard and b) impairment for trade receivables, which is estimated for amounts not expected to be collected in full.

L. LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed and determinable payments. This category includes the loans, other financial assets and other current assets.

Subsequent to initial measurement, loans and receivables are carried at amortized cost based on effective interest rate method less appropriate allowance for doubtful receivables, if any.

Loans and advances are further classified as current and non-current depending whether they will realize within 12 months from the balance sheet date or beyond.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

M. FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost.

Subsequent to initial measurement, financial liabilities viz borrowings are measured at amortised cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognised in the statement of profit & loss over the contractual term using the effective interest rate method.

Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance sheet date or beyond.

Financial liabilities are derecognized when the Group is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

N. EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the Equity Share Holders of the Group to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the Equity Share Holders of the Group after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

O. TAXATION

Current Tax

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date.

Current tax assets and liabilities are offset where the Group has legal enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

Deferred Tax Assets and Liabilities

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is not recognized for temporary differences relating to:

- initial recognition of goodwill;
- initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and
- Investments in subsidiaries, associates and jointly controlled entities where the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity as the case may be.

P. EMPLOYEE BENEFITS

The Group provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the Group towards the liability for employees benefits plans notified / enacted by the competent authority and

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated.

- a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
- b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Remeasurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), are reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
- c. Liabilities for accumulating paid absences is determined at the present value of the amounts payable determined using the actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit method. Actuarial gain or losses in respect of accumulating paid absences are charged to statement of profit & loss account.
- d. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

Q. GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Grants received as part of package of financial aids to which the number of condition are attached, the grant is initially recognized as liability and proportionately transferred to the Reserves on fulfillment of the conditions attached to it.

Grants received as part of investment in the specific fixed asset is reduced from the Cost of that asset at the time of receipt of the Grant.

Revenue Grants are recognized in the statement of Profit & Loss.

R. IMPAIRMENT

Financial assets

The Group recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not fair value through statement of profit and loss. Loss allowance on trade receivables, with no significant financing component is measured at an amount equal to lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss for the period.

Intangible assets, investment property and property, plant and equipment

Intangible assets, investment property and property plant & equipment are evaluated for recoverability wherever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs).

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such asset is considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit & loss if there have been changes in the estimates used to determine the recoverable amount. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceeds the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss has been recognized for the asset in prior years.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

S. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized, if as a result of past event the Group has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the Group.

Contingent assets are not recognized in the financial statements. However due disclosures are made in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

T. FOREIGN CURRENCY TRANSACTIONS

Functional Currency

The Company functional currency is Indian Rupees. The financial statement of the company is presented in Indian rupees rounded off to nearest lacs.

Transaction and Translations

Transactions in currency other than Indian Rupees are recorded at the rate, as declared by the custom authority / inter-bank rates, ruling on the date of transaction.

Unsettled Foreign currency denominated monetary assets and liabilities, as at the balance sheet date, are translated using the exchange rates as at the balance sheet date. The gain or loss resulting from the translation is recognized in the statement of profit & loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at cost are translated at the exchange rate at the date of the transaction. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured carried at fair value are translated at the date when the fair value is determined.

Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled.

Exchanges difference arises on settlement / translation of foreign currency monetary items relating to acquisition of property, plant & equipment till the period they are put to use for commercial production, are capitalized to the cost of assets acquired and provided for over the useful life of the property, plant & equipment.

U. LEASES

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, rental properties, equipment's and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable,

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

using the incremental borrowing rates of the Group. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For Short Term Leases and leases for which underlying asset is of low value, Lease payments are recognized as an expenses on a straight line basis over a lease term.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease

V. BORROWING COST

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition or construction of qualifying / eligible assets, intended for commercial production are capitalised as part of the cost of such assets. All other borrowing costs are recognized as an expense in the year in which they are incurred

W. OPERATING SEGMENTS

Operating segments are defined as components of the Holding Company /Group: (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Holding Company /Group),(b) whose operating results are regularly reviewed by the Holding Company's /Group's designated individual chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available.

Management has chosen to organise the Holding Company /Group, around differences in business activities/ customer base/ products belonging to different industry, having different economic characteristics and not on the basis of geographical areas, looking to the practical impediments.

Accordingly the Holding Company /Group has identified following reportable segments, viz. Flexible packaging activities, Engineering activities and others (Unallocable). All directly attributable revenue and expenses and expenses which can be allocated to segments, are reported under each reportable segment. All other expenses which are not attributable or allocable to segments, are shown under Other (Unallocable). Holding Company /Group has identified assets and liabilities to each reportable segment.

X. APPLICATION OF NEW AND REVISED INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

2A. PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Building	Plant & Equipment	Electrical Installations	Office Equipments	Furniture & Fixtures	Vehicles	Aircraft	Total
GROSS CARRYING VALUE									
As at 1st April 2020	9412.64	108164.59	488940.32	18443.68	9162.25	8882.53	5772.58	801.47	649580.06
Additions During the Year	1173.40	41068.03	107946.23	4822.23	970.81	1032.86	948.11	-	157961.67
Adjustments for Exchange Difference on translation	83.55	499.62	1968.54	386.85	(10.02)	2.26	(30.60)	(20.09)	2880.11
Deductions During the Year	-	(6.03)	(6328.43)	(37.26)	(78.49)	(37.99)	(686.18)	-	(7174.38)
As at 31st March 2021	10669.59	149726.21	592526.66	23615.50	10044.55	9879.66	6003.91	781.38	803247.46
Additions During the Year	2268.64	42177.27	111036.80	12846.40	2085.85	475.33	1791.29	-	172681.58
Transfer to Investment Property	-	(5.30)	-	-	-	-	-	-	(5.30)
Adjustments for Exchange Difference on translation	(117.93)	169.04	5198.85	411.32	74.61	(23.68)	11.27	24.56	5748.04
Deductions During the Year	-	-	(4482.63)	(0.80)	(1,856.81)	(5.22)	(545.61)	-	(6891.07)
As at 31st March 2022	12820.30	192067.22	704279.68	36872.42	10348.20	10326.09	7260.86	805.94	974780.71
DEPRECIATION									
As at 1st April 2020	-	26813.14	248722.39	8176.15	6956.82	6075.04	2874.45	120.22	299738.21
Provided for the Year	-	4643.95	34456.63	1,080.17	801.64	657.86	783.62	39.41	42463.28
Adjustments for Exchange Difference on translation	-	89.02	834.12	176.94	(19.17)	(9.03)	(0.11)	(3.36)	1068.41
Deductions During the Year	-	(5.35)	(5685.10)	(35.24)	(74.60)	(34.67)	(456.54)	-	(6291.50)
As at 31st March 2021	-	31540.76	278328.04	9398.02	7664.69	6689.20	3201.42	156.27	336978.40
Provided for the Year	-	5995.35	39859.14	1756.73	1,203.63	560.39	879.78	39.51	50294.53
Transfer to Investment Property	-	(2.66)	-	-	-	-	-	-	(2.66)
Adjustments for Exchange Difference on translation	-	339.12	2998.27	151.62	41.35	(4.46)	19.55	5.70	3551.15
Deductions During the Year	-	-	(2898.59)	(0.15)	(1,748.76)	(2.91)	(243.85)	-	(4894.26)
As at 31st March 2022	-	37872.57	318286.86	11306.22	7160.91	7242.22	3856.90	201.48	385927.16
NET CARRYING VALUE									
As at 31st March 2021	10669.59	118185.45	314198.62	14217.48	2379.86	3190.46	2802.49	625.11	466269.06
As at 31st March 2022	12820.30	154194.65	385992.82	25566.20	3187.29	3083.87	3403.96	604.46	588853.55

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
2B INVESTMENT PROPERTY

(Rs. in Lacs)

	Freehold Land	Leasehold Land	Building	Total
GROSS CARRYING VALUE				
As at 1st April 2020	8.57	273.95	4054.02	4336.54
Additions During the Year	-	-	-	-
Deductions During the Year	-	-	-	-
As at 31st March 2021	8.57	273.95	4054.02	4336.54
Additions During the Year	-	-	-	-
Transfer from Property, Plant & Equipment	-	-	5.30	5.30
Deductions During the Year	-	(1.89)	-	(1.89)
As at 31st March 2022	8.57	272.06	4059.32	4339.95
DEPRECIATION / AMORTISATION				
As at 1st April 2020	-	14.07	2980.80	2994.87
Provided for the Year	-	3.62	116.18	119.80
Deductions During the Year	-	-	-	-
As at 31st March 2021	-	17.69	3096.98	3114.67
Provided for the Year	-	3.53	116.35	119.88
Transfer from Property, Plant & Equipment	-	-	2.66	2.66
Deductions During the Year	-	(0.15)	-	(0.15)
As at 31st March 2022	-	21.07	3215.99	3237.06
NET CARRYING VALUE				
As at 31st March 2021	8.57	256.26	957.04	1221.87
As at 31st March 2022	8.57	250.99	843.33	1102.89

Note: Fair value of the Investment Properties is Rs 12589.67 Lacs (Previous Year Rs. 12743.37 Lacs), as valued by Independent architect and approved valuer.

2C INTANGIBLE ASSETS

(Rs.in Lacs)

	Software	Patent	Technical Know How		Total
			Internally Generated	Other Than Internally Generated	
GROSS CARRYING VALUE					
As at 1st April 2020	2437.09	639.56	5284.04	2666.90	11027.59
Additions During the Year	1114.13	-	-	200.00	1314.13
Adjustments for Exchange Difference on translation	(0.65)	-	(61.55)	-	(62.20)
Deductions During the Year	(7.57)	-	-	-	(7.57)
As at 31st March 2021	3543.00	639.56	5222.49	2866.90	12271.95
Additions During the Year	323.14	-	-	-	323.14
Adjustments for Exchange Difference on translation	(3.32)	-	75.22	-	71.90
Deductions During the Year	(0.51)	-	(2468.43)	-	(2468.94)
As at 31st March 2022	3862.31	639.56	2829.28	2866.90	10198.05
DEPRECIATION / AMORTISATION					
As at 1st April 2020	2125.03	622.71	2,869.69	1561.53	7178.96
Provided for the Year	330.94	16.82	1119.26	359.21	1826.23
Adjustments for Exchange Difference on translation	(1.59)	-	(47.00)	-	(48.59)
Deductions During the Year	(6.47)	-	-	-	(6.47)
As at 31st March 2021	2447.91	639.53	3941.95	1920.74	8950.13
Provided for the Year	342.84	0.03	820.93	310.79	1474.59
Adjustments for Exchange Difference on translation	(2.02)	-	24.70	-	22.68
Deductions During the Year	(0.49)	-	(2420.24)	-	(2420.73)
As at 31st March 2022	2788.24	639.56	2367.34	2231.53	8026.67
NET CARRYING VALUE					
As at 31st March 2021	1095.09	0.03	1280.54	946.16	3321.82
As at 31st March 2022	1074.07	-	461.94	635.37	2171.38

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

2D RIGHT OF USE ASSETS

(Rs. in Lacs)

	Leasehold Land	Leasehold Land Premium	Rental Properties	Plant & equipment	Vehicles	Total
GROSS CARRYING VALUE						
As at 1st April 2020	23,449.31	1,810.87	1,718.30	307.33	1,019.43	28,305.24
Additions During the Year	5,413.07	1,835.23	492.91	503.52	102.13	8,346.86
Adjustments for Exchange Difference on translation	(229.54)	(23.69)	(21.81)	-	-	(275.04)
Deductions During the Year	-	-	(69.12)	-	(189.76)	(258.88)
As at 31st March 2021	28632.84	3622.41	2120.28	810.85	931.80	36118.18
Additions During the Year	1579.28	627.39	360.55	16,245.47	77.73	18890.42
Adjustments for Exchange Difference on translation	153.20	25.04	(8.59)	-	-	169.65
Deductions During the Year	-	-	(630.31)	-	(58.06)	(688.37)
As at 31st March 2022	30365.32	4274.84	1841.93	17056.32	951.47	54489.88
DEPRECIATION / AMORTISATION						
As at 1st April 2020	1,390.91	295.96	472.18	124.76	287.32	2,571.13
Provided for the Year	359.54	84.89	510.54	117.35	280.05	1,352.37
Adjustments for Exchange Difference on translation	(19.84)	(7.66)	(1.30)	-	-	(28.80)
Deductions During the Year	-	-	(63.72)	-	(114.41)	(178.13)
As at 31st March 2021	1730.61	373.19	917.70	242.11	452.96	3716.57
Provided for the Year	420.69	164.62	446.68	559.37	231.66	1823.02
Adjustments for Exchange Difference on translation	27.52	12.96	(0.93)	7.31	-	46.86
Deductions During the Year	-	-	(630.31)	-	(57.45)	(687.76)
As at 31st March 2022	2178.82	550.77	733.14	808.79	627.17	4898.69
NET CARRYING VALUE						
As at 31st March 2021	26902.23	3249.22	1202.58	568.74	478.84	32401.61
As at 31st March 2022	28186.50	3724.07	1108.79	16247.53	324.30	49591.19

Breakup of Depreciation and Amortisation charge for the Year:

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
Depreciation and Amortisation on:		
Property, Plant & Equipment	50294.53	42463.28
Investment Property	119.88	119.80
Intangible Assets	1474.59	1826.23
Right of use assets	1823.02	1,352.37
Adjustment for Pre-operative Expenses	-	(188.92)
Total #	53712.02	45572.76

Includes Rs. Nil Lacs (Previous Year Rs. 188.92 Lacs) Charged to Pre-Operative Expenses.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

3: INVESTMENTS

PARTICULARS	DESCRIP- TION	FACE VALUE	AS AT 31.03.2022		AS AT 31.03.2021	
			NUMBER	AMOUNT (Rs.in Lacs)	NUMBER	AMOUNT (Rs.in Lacs)
I Measured at Cost / Carrying Value (Less Impairment, if any)						
Equity Instruments in the Associate (Flex Foods Limited)						
Quoted						
Fully Paid Up						
Carrying Value of Investment				443.73		443.73
Add: Share in Post acquisition Profits / OCI				6359.74		5927.01
				<u>6803.47</u>		<u>6370.74</u>
Less: Dividend received upto the year end				(1423.49)		(1364.79)
Carrying Amount of Investment	Equity	Rs.10/-	5870000	5379.98	5870000	5005.95
Total -3(I)				5379.98		5005.95
II Measured at Cost / Carrying Value (Less Impairment, if any)						
Equity Instruments in Joint Venture (Digicyl Pte. Ltd, Singapore)						
Unquoted						
Fully Paid Up						
Carrying Value of Investment				337.50		337.50
Add: Share in Post acquisition (Loss) / OCI				(337.50)		(337.50)
Carrying Amount of Investment @	Equity	US\$1	500000	-	500000	-
Total -3(II)				-		-
III Designated and carried at Fair value through Other Comprehensive Income						
Equity Instruments						
i) Quoted						
Fully Paid Up						
Ansal Properties & Infrastructure Ltd.	Equity	Rs.5/-	589910	78.75	589910	34.80
Kothari Products Ltd.	Equity	Rs.10/-	342900	438.40	342900	217.06
B.A.G.Films Ltd.	Equity	Rs.2/-	49300	2.74	49300	1.01
Reliance Infrastructure Ltd.	Equity	Rs.10/-	60000	67.38	60000	21.06
ii) Unquoted						
Fully Paid Up						
Malanpur Captive Power Ltd.	Equity	Rs.10/-	-	-	635650	-
Fair Growth Financial Services Ltd.	Equity	Rs.10/-	-	-	100000	-
Vijaya Home Loans Ltd.	Equity	Rs.10/-	50000	-	50000	-
Total -3(III)				587.27		273.93
IV Designated & Carried at Amortised Cost (Less Impairment, if any)						
Preference Shares						
Unquoted						
Fully Paid Up						
Montage Enterprises Private Limited	\$ Preference	Rs.100/-	15250000	15250.00	15250000	15250.00
7.5% Cumulative, Non-Participative Redeemable Preference Shares						
Total -3(IV)				15250.00		15250.00
TOTAL 3 (I+II+III+IV)				21217.25		20529.88

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	DESCRIP- TION	FACE VALUE	AS AT 31.03.2022		AS AT 31.03.2021	
			NUMBER	AMOUNT (Rs.in Lacs)	NUMBER	AMOUNT (Rs.in Lacs)
i)	Aggregate amount of Quoted Investments			7767.07		7393.04
ii)	Aggregate Market Value of Quoted Investments			5729.39		4826.12
iii)	Aggregate amount of unquoted Investments			15265.00		15562.17
iv)	Aggregate amount of impairment in value of Investments					
	- Quoted			1799.83		2113.16
	- Unquoted			5.00		312.17
				<u>1804.83</u>		<u>2425.33</u>
v)	Investment Carried at Cost			5379.98		5005.95
vi)	Investment Carried at Fair Value through Other Comprehensive Income			587.27		273.93
vii)	Investment Carried at Amortised Cost			15250.00		15250.00
\$	These Preference Shares are redeemable at par in ten equal annual instalments commencing from 3rd October 2022 in respect of 12505000 Preference Shares amounting to Rs. 12505 Lacs allotted on 3rd October 2019 and from 30th March 2023 in respect of 2745000 Preference Shares amounting to Rs. 2745 Lacs allotted on 30th March 2020.					
@	Share in Post Acquisition Loss of Rs. 1781.64 Lacs (Previous Year Rs.1419.64 Lacs) which is in excess of the amount of Capital Contribution is included in "Others Payable"- in Note No.21 on "Other Financial Liabilities".					
^	Being struck off Company and therefore the shares have been discarded.					
				As At		(Rs. in Lacs)
				31.03.2022		As At
						31.03.2021
4: LOANS						
	(Unsecured, Considered Good)					
	Loans to :					
	- Employees			44.92		76.08
	- Others			5600.82		-
				<u>5645.74</u>		<u>76.08</u>
	Less: Current Portion			22.27		29.71
	TOTAL :			<u>5623.47</u>		<u>46.37</u>
5: OTHER NON-CURRENT FINANCIAL ASSETS						
	Security Deposits			4199.18		3957.96
	Balance with bank in Fixed deposit Accounts for a period more than 12 months *			4263.42		4352.75
	TOTAL :			<u>8462.60</u>		<u>8310.71</u>
*	Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.					
6: OTHER NON-CURRENT ASSETS						
	Capital Advances			28906.97		23396.05
	Deposit with Excise/ GST / Sales Tax Authorities			306.50		291.67
	Deposits / Advances with Income Tax Authorities			1678.68		1559.67
	Other Receivable			128.43		-
	TOTAL :			<u>31020.58</u>		<u>25247.39</u>

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
7: INVENTORIES		
Raw Materials	82471.52	57363.40
Work-in-Progress*	32578.57	20275.16
Finished Goods*	41949.08	25628.97
Traded Goods	203.95	89.35
Material-in-Transit :		
- Raw Materials	8000.65	4449.41
- Raw Materials (Intra Group)	2666.87	616.91
- Finished Goods (Intra Group)	8941.45	1292.44
Stores, Packing Material & Fuel	6327.96	5341.47
TOTAL :	183140.05	115057.11
* Includes following in respect of material produced during Trial Runs and shown as Inventory:		
Work-in-Progress	-	2464.44
Finished Goods	-	2617.91
	-	5,082.35
8: TRADE RECEIVABLES ^		
Current- Unsecured		
Considered Good	351074.30	240143.93
Having Significant increase in Credit Risk	13096.54	9956.58
Trade Receivables #	364170.84	250100.51
Less : Allowance for bad and doubtful Trade Receivables	13096.54	9956.58
TOTAL :	351074.30	240143.93
# Includes due from :		
- Related Parties	5443.76	5032.20
Movements in allowance for bad and doubtful Trade Receivables:		
Opening Balance	9956.58	6489.59
(+) Provision made during the year	4385.85	4364.12
(+)/(-)Adjustment for Exchange Difference on Translation	55.62	(33.57)
(-) Amount utilised from provision	(1301.51)	(863.56)
Closing Balance	13096.54	9956.58
^ Refer Note No 46 for Ageing Schedule		
9: CASH & BANK BALANCES		
A) Cash & Cash Equivalents		
i) Cash on hand	65.72	97.31
ii) Balances with Banks:		
- In Current Accounts	33402.11	25979.29
- In Cash Credits Accounts	4589.13	2271.66
- In Fixed Deposit Accounts	15681.15	22918.27
iii) Remittance in Transit	133.39	350.45
iv) Cheques on hand	107.19	50.85
Sub-Total (A)	53978.69	51667.83

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
B) Other Bank Balances		
- In Fixed Deposits Accounts*	1745.80	8312.12
- In Unclaimed Dividend Accounts	111.47	115.90
- In Margin Money Accounts	2991.47	1484.07
Sub-Total (B)	4848.74	9912.09
TOTAL (A+B):	58827.43	61579.92
*Pledged with Banks as margin for Letters of Credits, Guarantees and Bills Discounted.		
 10: LOANS		
(Unsecured, Considered Good)		
Loans to Employees and others	4.89	5.46
Loan to a Joint Venture	56.86	55.13
Loans to Other Body Corporates	402.39	2963.63
Loans to Associate	1500.00	-
TOTAL :	1964.14	3024.22
Additional Information on Loan to a Joint Venture:		
Name of the Company	Rate of Interest	Rate of Interest
Digicyl Pte. Ltd.(Singapore) -Joint Venture	6.5%	6.50%
Flex Foods Ltd.-Associate	10%	-
The above loans are for a fixed period as specified in respective loan agreement with an option to prepay by the borrower.		
 11: OTHER FINANCIAL ASSETS		
Current Portion of Long Terms Loans given	22.27	29.71
Interest accrued on :		
- Loan to Others	26.86	20.65
- Loan to a Joint Venture	12.64	8.67
- Loan to Related Party	42.78	-
- Deposits with Banks	243.49	228.34
- 7.5% Cumulative Redeemable Preference Shares	282.02	-
Interest Rate Swaps	3732.69	-
Other Receivables	657.23	2762.90
TOTAL :	5019.98	3050.27
 12: OTHER CURRENT ASSETS		
Other Advances	12620.14	6635.33
Advance given to Suppliers	37836.16	22887.75
Export Incentive Receivable	1394.18	1890.23
Advances recoverable from Related Parties	-	22.87
Advance recoverable from a Joint Venture	76.80	74.46
Balances with Excise / GST/ VAT Authorities	17052.89	18491.96
TOTAL :	68980.17	50002.60

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
13: SHARE CAPITAL
A AUTHORISED

The Holding Company authorised Capital is of Rs. 34000.00 Lacs (Previous Year Same) distributed into 1,90,00,000 (Previous Year Same) Preference Shares of Rs.100/- each and 15,00,00,000 (Previous Year Same) Equity Shares of Rs. 10/- Each.

B ISSUED, SUBSCRIBED & PAID-UP

The Issued and Subscribed Capital of the Holding Company as at 31st March 2022 is of Rs. 7228.42 Lacs, represented by 72284187 Equity Shares (Including 72701 Equity Shares forfeited) of Rs. 10/- each and the paid-up Capital as at 31st March 2022 is of Rs.7221.15 Lacs, represented by 7,22,11,486 Equity Shares of Rs. 10/- each . The reconciliation of the Equity Share Capital of the Holding Company is given as under:

	ISSUED & SUBSCRIBED		FULLY PAID-UP		PARTLY PAID-UP	
	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)	NUMBER	AMOUNT (Rs. in Lacs)
Balance as at 1st April 2020	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2021	72284187	7228.42	72211486	7221.15	-	-
Balance as at 31st March 2022	72284187	7228.42	72211486	7221.15	-	-

Amount Originally paid up on the forfeited shares was of Rs. 3.89 Lacs (Previous Year Same).

The Holding Company's Paid-up Capital of 72211486 (previous Year Same) Equity Shares of Rs. 10/- each, is distributed as under:

	% Change During the Year	AS AT 31ST MARCH 2022		AS AT 31ST MARCH 2021	
		NUMBER	%	NUMBER	%
a) Promoter & Promoter Group		31784239	44.02	31784239	44.02
Flex International Pvt. Ltd.	-	9197577	12.74	9197577	12.74
Anshika Investments Pvt. Ltd.	-	5771092	7.99	5771092	7.99
A.R. Leasing Pvt. Ltd.	-	4994891	6.92	4994891	6.92
Anshika Consultants Pvt. Ltd.	-	3778524	5.23	3778524	5.23
Apoorva Extrusion Pvt. Ltd.	-	4323162	5.99	4323162	5.99
Anant Overseas Pvt. Ltd.	-	1000000	1.38	1000000	1.38
Ashok Kumar Chaturvedi (Karta)	-	1694051	2.35	1694051	2.35
Ashok Chaturvedi	-	502533	0.70	502533	0.70
A.L.Consultants Pvt. Ltd.	-	355486	0.49	355486	0.49
Rashmi Chaturvedi	-	125145	0.17	125145	0.17
Magic Consultants Pvt Ltd.	-	41778	0.06	41778	0.06
b) Public Shareholding *		40427247	55.98	40427247	55.98
i) Institution		5044507	6.99	4886637	6.77
ii) Non- Institution		35382740	48.99	35540610	49.21
* Of which Shareholder holding More than 5 % of the Paid-up Capital					
Kebale Trading Ltd.		5465840	7.57	5465840	7.57
Vistra ITCL (India) Ltd.		9075980	12.57	8548072	11.84

C RESTRICTION ON VOTING RIGHTS

The Holding Company has only one class of issued equity share capital as on the date of the balance sheet and each holder of equity share is entitled for one vote per share and right to receive the dividend, if any, declared on the equity shares.

D DIVIDEND

The Board of Directors of the Holding Company has recommended a final dividend of Rs.3.00 (Previous Year Rs.2.50) per share aggregating to Rs.2166.34 lacs (Previous Year Rs. 1805.29 Lacs) for the financial year ended 31st March 2022 subject to the approval of the Shareholders in their ensuing Annual General Meeting.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Reserve and Surplus				Other Comprehensive Income				Non Controlling Interest		Total			
	Capital Reserve	Securities Premium	General Reserve	Legal Reserve	Retained Earnings	Equity Instrument through Comprehensive Income of foreign associate	Exchange differences on translating financial statements of foreign operations	Exchange differences on Currency	Re-measurement of Defined Benefit Plans	Share in aggregate Other Comprehensive Income of associate		Non Controlling Interest -Other Equity Instrument	Non Controlling Interest Equity	
Balance as at 01st April 2020	10377.76	57110.63	21776.48	3580.85	340457.13	(2553.70)	42027.69	(9,525.32)	(1,450.36)	(45.45)	1.92	732.04	733.96	462489.67
Total Other Comprehensive Income for the Year (Net of Tax)						467.13	2604.13	-	(52.75)	9.26	-	-	-	3027.77
Dividend Paid Including Dividend Distribution Tax					(1444.23)									(1444.23)
Profit for the Year					84290.01									84367.84
Amount transferred to Retained Earning on Sale of Investment recognized through Other Comprehensive Income (Net of Tax)					338.76	(338.76)								-
Amount transferred to General Reserve & Legal Reserve					(2859.79)									(2859.79)
Amount Transferred from Statement of Profit & Loss			939.83	1919.96										2859.79
Balance as at 31st March 2021	10377.76	57110.63	22716.31	5500.81	420781.88	(2425.33)	44631.82	(9525.32)	(1503.11)	(36.19)	1.92	809.87	811.79	548441.05
Total Other Comprehensive Income for the Year (Net of Tax)						609.73	5628.23	-	(455.82)	2.91	-	-	-	5785.05
Dividend Paid					(1805.29)									(1805.29)
Profit for the Year					109825.73									109942.23
Amount transferred to General Reserve & Legal Reserve					(3386.23)									(3386.23)
Amount Transferred from Statement of Profit & Loss			830.63	2555.60										3386.23
Amount transferred to Retained Earning on Disposal of Investment recognized through Other Comprehensive Income (Net of Tax)					(10.77)	10.77								-
Balance as at 31st March 2022	10377.76	57110.63	23546.94	8056.41	525405.32	(1804.83)	50260.05	(9525.32)	(1958.93)	(33.28)	1.92	926.37	928.29	662363.04

14: OTHER EQUITY

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Description of Reserves

1 Capital Reserve

This includes

Rs. 10288.18 Lacs towards amount of warrant application money forfeited by the Holding Company in the past on non exercise of option by the warrant holders to convert the warrants into Equity Shares and Rs. 89.58 Lacs towards amount received by Holding Company on Equity Shares Forfeited in the past.

2 Securities Premium

Securities Premium was created by the Holding Company consequent to issuance of shares at Premium. These reserves can be utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.

3 General Reserve

General Reserve amount is net of Rs.143.27 lacs in respect of Goodwill written off in the past on the acquisition of the Associate Company and includes :

- Rs. 20164.05 Lacs created by the Holding Company in accordance with erstwhile Companies Act, 1956 & Rules thereunder by transferring the Surplus in the Statement of Profit & Loss to the General Reserve, as per the limits laid down thereunder on distribution of Profits to Shareholders, as dividend. This is a part of free reserve and can be used for the purpose of distribution to Shareholders.
- Rs. 3526.16 Lacs created in respect of Flex Americas SA de CV its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer 5% of the annual available surplus in the Statement of Profit & Loss to the General Reserve.

4 Legal Reserve

Legal Reserve represents :

- Rs. 3526.16 Lacs created in respect of Flex Americas SA de CV its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer 5% of the annual available surplus in the Statement of Profit & Loss to the Legal Reserve. The Statutory Reserve cannot be distributed except in cases stated in the Law. The company may resolve to discontinue such annual transfer when the accumulated balance becomes 20% of its issued share capital.
- Rs. 4530.25 Lacs created in respect of Flex Films (Egypt) S.A.E. its wholly owned subsidiary in terms of the legal requirement for the compulsory transfer of the 5% of the annual available surplus in the Statement of Profit & Loss to the Legal Reserve. The Statutory Reserve cannot be distributed except in cases stated in the Law. The company may resolve to discontinue such annual transfer when the accumulated balance becomes 50% of its issued share capital.

	As At	As At
	31.03.2022	31.03.2021
		(Rs. in Lacs)
15: BORROWINGS		
A. Secured		
Term Loans :		
From Banks	342837.29	306418.37
From a Financial Institution	8859.10	10855.52
	351696.39	317273.89
B. Vehicle Loans :		
From Banks	188.68	137.80
From Others	560.37	162.12
	749.05	299.92
C. Unsecured		
From a Financial Institution ~	4235.75	5481.82
	4235.75	5481.82
Sub- Total (A+B+C)	356681.19	323055.63
Less: Current portion	49496.87	42386.02
TOTAL :	307184.32	280669.61

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The Group is availing the Secured Term Loan Facilities from banks & others. Their repayment terms and other details are given as under:

(Rs. in Lacs, except where otherwise stated)						
Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Repayment Terms
PART A: TERM LOANS						
IFCI Limited	a	15000.00	8873.00 10873.00	2000.00 2000.00	6873.00 8873.00	Repayable in 32 Quarterly Installments commencing from June 2018, first four installments of Rs. 250.00 Lacs each and balance 28 installments of Rs. 500.00 Lacs each.
UCO Bank	a	20000.00	11153.03 14703.89	3512.39 3512.39	7640.64 11191.50	Repayable in 24 Equal Quarterly Installments of Rs. 833.33 lacs each commencing from February 2019. Post Covid Relaxation, repayment schedule has been revised effective Nov 20 and balance amount is payable in 18 Equal Quarterly installments of Rs. 878.10 lacs each and final installment of Rs. 669.00 Lacs
Jammu & Kashmir Bank Ltd.	a	14930.00	12294.27 14005.49	1,967.20 1967.20	10327.07 12038.29	Repayable in 32 Equal Quarterly Installments of Rs. 466.56 lacs each commencing from February 2020. Post Covid Relaxation, repayment schedule has been revised effective Nov 20 and balance amount is payable in 30 Equal Quarterly installments of Rs. 491.80 lacs each & Last installment of Rs. 491.70 Lacs.
State Bank of India	a	25000.00	2143.26 7153.09	2143.26 5000.00	- 2153.09	Repayable in 60 Equal Monthly Installments of Rs. 416.67 Lacs each commencing from Oct 2017. However installments are restricted to the extent of loan availed
State Bank of India	a	15000.00	3254.01 5404.55	2144.00 2144.00	1110.01 3260.55	Repayable in 82 installments, First installment is of Rs 535.71 lacs in Mar 2019 and rest in 81 Equal Monthly Installments of Rs 178.67 lacs each from Apr 2019. However installments are restricted to the extent of loan availed.
South Indian Bank	a	5000.00	2640.97 3395.76	754.79 754.79	1886.18 2640.97	Repayable in 28 Quarterly Installments commencing from June 2018. First 27 Equal Quarterly Installments of Rs 178.60 Lacs and last installment of Rs. 177.80 Lacs. Post Covid Relaxation, repayment schedule has been revised effective Sept 20 and balance amount is payable in 20 Equal Quarterly installments of Rs. 188.70 lacs each and last installment of Rs. 187.90 Lacs.
Punjab National Bank (erstwhile Oriental Bank of Commerce)	a	5000.00	3256.28 3972.70	714.29 714.29	2541.99 3258.41	Repayable in 28 Equal Quarterly Installments of Rs. 178.57 Lacs each commencing from Apr 2019.
Woori Bank	a \$	6000.00	4000.00 6000.00	2000.00 2000.00	4000.00 4000.00	Repayable in 12 Equal Quarterly Installments of Rs. 500 Lacs each commencing from April 2021.
Indian Bank	a \$	10000.00	8420.63 8208.53	500.00 500.00	7920.63 7708.53	Repayable in 34 Quarterly Installments (First 10 Installments of Rs. 125 Lacs each, next 4 installments of Rs. 250 Lacs each, next 12 installments of Rs. 375 lacs each, next 4 installments of Rs. 437.50 lacs each and last 4 installments of Rs. 375 Lacs each) commencing from March 2021.
Bank of Maharashtra	a \$	2500.00	2012.08 498.69	240.00 240.00	1772.08 258.69	Repayable in 26 Quarterly Installments (first 9 installments of Rs. 60 lacs Each, next 8 installments of Rs. 100 Lacs, next 8 installments of Rs. 125 Lacs each and final installment of Rs. 160 Lacs) each commencing from March 2021.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Repayment Terms
Qatar National Bank	a \$	4000.00	4000.00 4000.00	1000.00 -	3000.00 4,000.00	Repayable in 16 Equal Quarterly Installments of Rs. 250 Lacs each commencing from June 2022.
KB Kookmin Bank	*	7000.00	7,000.00 -	2,737.94 -	4,262.06 -	Repayable in 8 Quarterly Installments (first 7 installments of Rs. 912.65 Lacs each and final installment of Rs.611.47 Lacs) commencing from Aug 2022 .
Punjab & Sindh Bank	a \$	10000.00	7,092.75 -	500.00 -	6,592.75 -	Repayable in 34 Quarterly Installments (first 6 installments of Rs. 125 lacs each, next 4 installments of Rs. 250 Lacs each, next 4 installments of Rs. 312.50 Lacs each, next 16 installments of Rs. 375 Lacs each and balance in 4 installments of Rs. 250 lacs each) commencing from February 2022.
Indian Overseas Bank	a \$	10000.00	288.80 -	288.80 -	-	- Repayable in 34 Quarterly Installments (first 6 installments of Rs. 125 lacs each, next 4 installments of Rs. 250 Lacs each, next 8 installments of Rs. 313 Lacs each, next 15 installments of Rs. 375 Lacs each and balance in 1 installment of Rs. 121 lacs) commencing from March 2022.
Punjab National Bank	a \$	29000.00	14,468.39 -	-	14,468.39 -	Repayable in 28 Quarterly Installments (first 12 installments of Rs. 725 lacs each, next 8 installments of Rs. 1087.50 Lacs each and next 8 installments of Rs. 1450 Lacs each) commencing from June 2023.
Bank of Behrain & Kuwait	a \$	5000.00	5,000.00 -	20.76 -	4,979.24 -	Repayable in 17 Quarterly Installments (first installments of Rs. 20.76 lacs each, next 15 installments of Rs. 312.50 Lacs each and balance in 1 installments of Rs. 291.74 lacs) commencing from March 2023.
Oldenburgische Landes Bank-Commercial Loan	a \$	Euro 7.50 Million	3,174.75 -	-	3,174.75 -	8 Semi annual installments of Euro 0.94 Mn. (Equivalent to Rs.793.26 Lacs) from Sep 2023
Oldenburgische Landes Bank-Bopet Film	a \$	Euro 28.50 Million	15,763.18 -	-	15,763.18 -	20 Semi annual installments of Euro 1.42 Mn (Equivalent to Rs. 1206.40 Lacs) from Sep 2023
Oldenburgische Landes Bank-CPP Film	a \$	Euro 8.30 Million	6,362.07 -	-	6,362.07 -	20 Semi annual installments of Euro 0.42 Mn (Equivalent to Rs 351.34 Lacs) from Sep 2023
Canara Bank	a	875.00	- 777.78	- 583.33	- 194.45	- Repayable in 18 Equal Monthly Installments of Rs. 48.61 Lacs each commencing from February 2021.
Punjab National Bank	a	260.00	30.20 216.68	30.20 173.28	- 43.40	- Repayable in 18 Equal Monthly Installments of Rs. 14.44 Lacs each commencing from December 2020.
Punjab National Bank (erstwhile Oriental Bank of Commerce)	a	190.00	10.98 147.78	10.98 126.67	- 21.11	- Repayable in 18 Equal Monthly Installments of Rs. 10.56 Lacs each commencing from January 2021.
State Bank of India	a	598.91	31.27 432.24	31.27 400.00	- 32.24	- Repayable in 18 Equal Monthly Installments of Rs. 33.33 Lacs each commencing from November 2020.
Union Bank of India	a	270.00	45.00 225.00	45.00 180.00	- 45.00	- Repayable in 18 Equal Monthly Installments of Rs. 15.00 Lacs each commencing from January 2021.
Bank of India	a	183.00	- 164.70	- 138.71	- 25.99	- Repayable in 18 Equal Monthly Installments First 6 instalments of Rs. 4.58 Lacs and rest 12 instalments of Rs. 12.96 Lacs each commencing from December 2020.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Repayment Terms
QNB Alahi Bank - Egypt Location	c	Euro 40 Million	29977.73 34008.06	4796.44 3,689.91	25181.29 30318.15	Repayable in 28 equal quarterly installments of Euro 1.43 Million each commencing from September 2021.
QNB Alahi Bank - Egypt Location	c	US \$ 15 Million	8866.94 9650.85	1418.71 1,181.89	7448.23 8468.96	Repayable in 28 equal quarterly installments of US\$0.54 Million each commencing from September 2021.
QNB Alahi Bank - Egypt Location	c	US \$ 25 Million	- 1188.93	- 1188.93	-	- Repayable in 27 equal quarterly installments of US\$0.81 Million each commencing from January 2015.
QNB Alahi Bank - Egypt Location	c	US \$ 3.90 Million	- 272.08	- 272.08	-	- Repayable in 10 equal quarterly installments of US\$0.39 Million each commencing from January 2019.
QNB Alahi Bank - Egypt Location	c	Euro 2.80 Million	- 915.79	- 770.19	145.60	- Repayable in 10 equal quarterly installments of Euro 0.28 Million each commencing from January 2020.
BBVA Bancomer SA, Mexico Location	d	US \$ 15 Million	6064.80 6247.50	1516.20 1470.00	4548.60 4777.50	Repayable in 30 equal quarterly installments of US\$0.50 Million each commencing from Nov 2018.
PKO Bank Loan- Poland Location	e	Euro 60 Million	50437.32 51699.55	1523.83 778.40	48913.49 50921.15	Repayable in 18 half yearly installments commencing on December 2021 and ending on June 2030.
CBD- Dubai Location	f	US\$ 30 Million	15920.10 18375.00	3032.40 2940.00	12887.70 15435.00	Repayable in 30 equal quarterly installments of US \$ 1.00 Million each commencing from February 2020.
CBD- Dubai Location	g	US\$ 7 Million	3924.74 3,789.63	1061.34 192.94	2863.40 3,596.69	Repayable in 20 equal quarterly installments of US \$ 0.35 Million each commencing from Dec 2021.
Oldenburgische Landes Bank Aktiengesellschaft- Nigeria Location	h	Euro 22.89 Million	16405.30 18737.41	1930.04 1,972.36	14475.26 16765.05	Repayable in 20 equal half yearly installments of Euro 1.14 Million each commencing from March 21.
Oldenburgische Landes Bank Aktiengesellschaft- Nigeria Location	i	Euro 8.50 Million	5125.54 7333.12	2050.22 2,095.18	3075.32 5237.94	Repayable in 7 equal half yearly installments of Euro 1.21 Million each commencing from September 21.
First Bank of Nigeria- Nigeria Location	i	N 9 Billion	12446.47 12784.34	1523.49 229.32	10922.98 12555.02	Repayable in 20 quarterly installments Commencing from December 2021.
Union Bank- Nigeria Location	i	N 4.5 Billion	7170.15 6425.00	1450.71 918.75	5719.44 5506.25	Repayable in 20 quarterly installments Commencing from December 2021.
PKO Bank Loan- Hungary Location	j	Euro 45.85 Million	36873.95 39475.35	1940.74 1,975.17	34933.21 37500.18	Repayable in 16 half yearly installments commencing from September 2021.
Unicredit Bank- Russia Location	k	US\$ 40 Million	23710.78 26515.95	3647.81 1,019.84	20062.97 25496.11	Repayable in 26 equal Quarterly Installments commencing from February 2022.
Oldenburgische Landes Bank Aktiengesellschaft- Dubai Location	l	Euro 8.47 Million	6753.02	675.30	6077.72	Repayable in 20 equal semi annual installments of Euro 0.42 Million each commencing from March 2023.
CBD- Dubai Location	m	US\$ 10 Million	7581.00	1010.80	6570.20	Repayable in 30 equal quarterly installments of US \$ 0.33 Million each commencing from June 2022.
Less: Adjustment for Transaction Cost (Pending Amortisation)			876.37 324.55	212.26 126.35	664.11 198.20	
Sub Total (A)			351696.39	48006.65	305689.74	
Previous Year			317273.89	41003.27	276270.62	
PART B: VEHICLE LOANS						
Jammu & Kashmir Bank Ltd.	b	135.00	74.14	27.78	46.36	Repayable in 60 Equal Monthly Installments of Rs. 2.68 Lacs each commencing from March 2022 including interest amount.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs, except where otherwise stated)

Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Repayment Terms
Jammu & Kashmir Bank Ltd.	b	26.40	15.09 20.44	5.46 5.01	9.63 15.43	Repayable in 60 Equal Monthly Installments of Rs. 0.55 Lacs each commencing from January 2020 including interest amount.
Jammu & Kashmir Bank Ltd.	b	13.00	11.99 -	1.51 -	10.48 -	Repayable in 84 Equal Monthly Installments of Rs. 0.21 Lacs each commencing from September 2021 including interest amount.
Jammu & Kashmir Bank Ltd.	b	13.40	12.69 -	1.51 -	11.18 -	Repayable in 84 Equal Monthly Installments of Rs. 0.21 Lacs each commencing from September 2021 including interest amount.
HDFC Bank Limited	b	66.00	- 9.42	- 9.42	- -	Repayable in 48 Equal Monthly Installments of Rs. 1.61 Lacs each commencing from October 2017 including interest amount.
HDFC Bank Limited	b	17.00	12.60 15.59	3.25 3.00	9.35 12.59	Repayable in 60 Equal Monthly Installments of Rs. 0.35 Lacs each commencing from October 2020 including interest amount.
YES BANK LIMITED	b	130.00	- 36.35	- 36.35	- -	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from April 2018 including interest amount.
YES BANK LIMITED	b	128.00	21.55 56.00	21.55 34.45	21.55	Repayable in 48 Equal Monthly Installments of Rs. 3.17 Lacs each commencing from November 2018 including interest amount.
AXIS BANK	b	19.75	17.79 -	3.53 -	14.26 -	Repayable in 60 Equal Monthly Installments of Rs.0.40 Lacs each commencing from September 2021 including interest amount.
AXIS BANK	b	25.00	22.83 -	4.45 -	18.38 -	Repayable in 60 Equal Monthly Installments of Rs.0.50 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	22.17	18.80 -	7.08 -	11.72 -	Repayable in 36 Equal Monthly Installments of Rs.0.69 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	20.06	16.99 -	6.42 -	10.57 -	Repayable in 36 Equal Monthly Installments of Rs.0.62 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	20.06	16.99 -	6.42 -	10.57 -	Repayable in 36 Equal Monthly Installments of Rs.0.62 Lacs each commencing from October 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	20.54	18.40 -	6.48 -	11.92 -	Repayable in 36 Equal Monthly Installments of Rs.0.64 Lacs each commencing from December 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	42.37	39.79 -	7.46 -	32.33 -	Repayable in 60 Equal Monthly Installments of Rs.0.84 Lacs each commencing from November 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	22.57	19.67 -	7.16 -	12.51 -	Repayable in 36 Equal Monthly Installments of Rs.0.70 Lacs each commencing from November 2021 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	45.42	45.42 -	7.99 -	37.43 -	Repayable in 60 Equal Monthly Installments of Rs.0.90 Lacs each commencing from April 2022 including interest amount.
KOTAK MAHINDRA PRIME LTD	b	271.81	271.81 -	84.99 -	186.82 -	Repayable in 36 Equal Monthly Installments of Rs. 8.37 Lacs each commencing from April 2022 including interest amount.
Toyota Financial Services India Limited	b	17.00	8.98 14.41	5.88 5.44	3.10 8.97	Repayable in 36 Equal Monthly Installments of Rs. 0.53 Lacs each commencing from October 2020 including interest amount.
Daimler Financial Services India Pvt. Ltd	b	69.00	- 11.50	- 11.50	- -	Repayable in 48 Equal Monthly Installments of Rs. 1.69 Lacs each commencing from November 2017 including interest amount.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs, except where otherwise stated)						
Name of the Institution / Banks / Others	Note No	Sanctioned Amount	O/s As At 31/03/2022	Current Portion	Long Term	Repayment Terms
Daimler Financial Services India Pvt. Ltd	b	72.00	51.76 <i>68.10</i>	17.60 <i>16.34</i>	34.16 <i>51.76</i>	Repayable in 48 Equal Monthly Installments of Rs. 1.74 Lacs each commencing from January 2021 including interest amount.
Daimler Financial Services India Pvt. Ltd	b	72.00	51.76 <i>68.11</i>	17.60 <i>16.34</i>	34.16 <i>51.77</i>	Repayable in 48 Equal Monthly Installments of Rs. 1.74 Lacs each commencing from January 2021 including interest amount.
Sub Total (B)			749.05	244.12	504.93	
Previous Year			<i>299.92</i>	<i>137.85</i>	<i>162.07</i>	
Total (A+B)			352445.44	48250.77	306194.67	
Previous Year			<i>317573.81</i>	<i>41141.12</i>	<i>276432.69</i>	

Previous Year figures have been given in italics

- a These are secured a) on pari passu basis by way of hypothecation of specific movable properties of the Holding Company (save and except book debts), both present & future, subject to prior charges created and / or to be created in favour of Holding Company's bankers for working capital facilities, b) by first pari passu equitable mortgage of specific immovable properties of the Holding Company situated at Malanpur (M.P.), Jammu (J & K), NOIDA (U.P.) and Sanand (Gujarat) and c) by guarantee of Chairman & Managing Director of the Holding Company. These are further secured by way of second pari passu charge on the current assets of the Holding Company.
- a \$ In respect of these loans, first pari-passu equitable mortgage of specific immovable properties is pending and equitable mortgage can be created only after obtaining NOC's from all the Lenders and execution of equitable mortgage documents.
- b Vehicle Loans are secured by way of hypothecation of Specific Vehicles of the Holding Company.
- c These are secured by way of first charge on specific tangible and intangible assets of the Flex P. Films (Egypt) S.A.E.
- d This is secured by way of hypothecation of Plant & Equipment and pari passu mortgage of Land & Building of the Flex Americas S.A. de C.V..
- e This is secured by way of first charge on fixed assets, account receivable and inventories of Flex Films Europa Sp. Z.o.o.
- f This is secured by way of first charge on Building and Plant & Equipment of the Flex Middle East FZE and are further secured by way of pari passu charge on account receivables and Inventories of the Company. These are further secured by way of Pledge of 17 Equity Shares of AED Million each held by the Holding Company.
- g This is secured by way of first charge on Specific Building and Plant & Equipment of the Flex Middle East FZE and are further secured by way of pari passu charge on account receivables and Inventories of the Company.
- h These are secured by way of first charge on the specific assets of Flex Films Africa Pvt. Ltd. financed by the Bank and are further guaranteed by the Holding Company.
- i These are secured by way of pari passu charge on the Flex Films Africa Pvt. Ltd. fixed assets (other than equipment covered under loan as per h above) and are further guaranteed by the Flex Middle East FZE.
- j These are secured by way of first charge on specific tangible and intangible assets of the Flex Films Europa kft.
- k These are secured by way of first charge on specific tangible and intangible assets of the Flex Films RUS LLC.
- l These are secured by way of pari passu charge on specific equipments of the Flex Middle East FZE.
- m This is secured by way of assignment of Dividends from Flex Foils Bangladesh Private Limited.
- ~ These are secured by a) exclusive first charge by way of hypothecation of Specific aircrafts owned by M/s A.R. Airways Pvt. Ltd., b) corporate guarantee of A.R. Airways Pvt. Ltd. and c) guarantee of Chairman & Managing Director of the Holding Company.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
16: OTHER FINANCIAL LIABILITIES		
Securities Received	1293.85	1174.09
Deferred Income	4838.50	5225.47
Retention Money	753.44	191.00
TOTAL :	6885.79	6590.56
17: PROVISIONS		
Leave Encashment	2075.46	1780.70
Gratuity	1077.57	1071.24
TOTAL :	3153.03	2851.94
18: DEFERRED TAX LIABILITIES (NET)		
Opening Balance	29607.21	18729.88
Add / (Less):		
Adjustment for Exchange Difference on Translation	915.84	377.85
Provision of Deferred Tax charge / (Credit) for the year	(1967.66)	10499.48
TOTAL :	28555.39	29607.21

The Cumulative Tax effects of significant temporary differences, that resulted in Deferred Tax Assets & Liabilities and description of item thereof that creates these differences are as follows :

	Deferred Tax Assets / (Liabilities) As At 01.04.2021	Current Year (Charge) / Credit	Adjustment For Exchange Difference on Translation	(Rs.in Lacs) Deferred Tax Assets / (Liabilities) As At 31.03.2022
Deferred Tax Assets				
Unabsorbed depreciation & tax losses	369.06	(1.91)	13.24	380.39
Other than unabsorbed depreciation & carry forward of losses.	6022.76	(1799.08)	(40.88)	4182.80
Total (A)	6391.82	(1800.99)	(27.64)	4563.19
Deferred Tax Liabilities				
Excess of Book WDV of Property, Plant & Equipment over Tax WDV of Fixed Assets	(35999.03)	3768.65	(888.20)	(33118.58)
Total (B)	(35999.03)	3768.65	(888.20)	(33118.58)
Net Deferred Tax (Liability) (A-B)	(29607.21)	1967.66	(915.84)	(28555.39)

Income Tax Expense in the Total Comprehensive Income represents;

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
In Statement of Profit & Loss		
- Current tax	29397.72	20080.98
- Deferred tax	(1814.36)	10499.48
- Short / (Excess) Provision of Income Tax for earlier years	704.23	(729.02)
	28287.59	29851.44
In Statement of Other Comprehensive Income		
<i>Items that will not be reclassified subsequently to Profit or Loss</i>		
Remeasurement of the net defined benefit liability / asset	(153.30)	-
Fair Value Changes/ Realised of / on Equity Instruments (Tax Liability on sale of Investment)	-	89.05
	(153.30)	89.05

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
19: BORROWINGS		
Secured		
Working Capital Facilities From Banks	88204.73	65542.47
Unsecured		
From Banks	742.75	1652.85
From Others	10622.00	8262.00
Current Maturities of Long Term Borrowings	49496.87	42386.02
TOTAL :	149066.35	117843.34

- 1 Working Capital Facilities availed by the Holding Company from banks are secured a) on first pari passu basis, by way of hypothecation of stock of raw materials, semi-finished goods, finished goods and book debts of the Holding Company, both present and future, b) by way of second pari passu charge on specific fixed assets of the Holding Company, situated at Malanpur (M.P.), Jammu (J & K), NOIDA (U.P.) and Sanand (Gujarat), and c) by guarantee of Chairman & Managing Director of the Holding Company.
- 2 Working Capital Facilities availed by Flex P. Films (Egypt) S.A.E. are secured by way of pari passu charge over the current assets of the Company.
- 3 Working Capital Facilities availed by Flex Americas SA de C.V. from the BBVA Bancomer S.A. is secured by way of charge over fixed assets and current assets of the Company.
- 4 Working Capital facilities availed by Flex Films USA Inc. from Chase Bank is secured by way of first charge on the Company's specific fixed assets, account receivables and inventory.
- 5 Working Capital facilities availed by Flex Films Europa Sp Z.o.o. from PKO Bank is secured by way of first charge on the Company's fixed assets, account receivables and inventory.
- 6 Working Capital Facilities availed by the Flex Middle East FZE, Dubai are secured by way of hypothecation of all current assets of the Company. Further working capital facilities from CBD are secured by way of mortgage over the Plant & Machinery and Building of the Company.
- 7 Working Capital Facilities availed by Flex Films Europa kft, Hungary from PKO Bank are secured by way of first charge on specific tangible and intangible assets of the Company.
- 8 Working Capital Facilities availed by Flex Films Rus LLC from UNICREDIT Bank are secured by way of charge over all current assets of the Company.
- 9 Working Capital Facilities availed by Flex Films Africa Pvt Ltd from Banks are secured by way of pari passu charge over all current assets of the Company.

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
20: TRADE PAYABLES ^		
Suppliers		
Total outstanding dues of creditors other than Micro & Small enterprises and Related Parties	168320.76	115204.09
Total outstanding dues of Micro & Small enterprises	2586.53	1497.21
Due to Related Parties	23833.31	18009.74
TOTAL :	194740.60	134711.04

^ Refer Note No 47 for Ageing Schedule

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As At 31.03.2022	(Rs. in Lacs) As At 31.03.2021
21: OTHER FINANCIAL LIABILITIES		
Capital Creditors	5265.38	9743.30
Interest Accrued but not due on Loans		
- From Others	60.65	367.00
Interest Accrued but not due on Term Loans		
- From Banks	452.37	171.47
- From Financial Institutions	73.29	91.48
Unclaimed Dividend*	111.47	115.90
Due to Employees	5277.55	4237.29
Others Payable	11888.62	7661.09
Book Overdraft	2557.27	1623.83
Unspent CSR	356.39	-
Deferred Income	1209.63	-
TOTAL :	27252.62	24011.36

* These figures do not include any amount, due and outstanding, required to be transferred to Investor Education and Protection Fund.

22: OTHER CURRENT LIABILITIES		
Advances from Customers	10648.15	9657.85
Advances from a Related Party	302.05	371.14
Statutory Dues	6144.76	3411.99
TOTAL :	17094.96	13440.98

23: PROVISIONS		
Leave Encashment	1287.77	1084.04
Staff Benefits	1204.10	1388.12
Warranty	44.91	69.85
TOTAL :	2536.78	2542.01

24: CURRENT TAX LIABILITIES (NET)		
Current Income Tax (Net)	15644.99	8467.37
TOTAL :	15644.99	8467.37

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
25: REVENUE FROM OPERATIONS		
A. i) REVENUE FROM SALE OF PRODUCTS		
Gross Sales	1336086.16	906556.53
Less : Inter Unit Sales	43845.80	42006.91
	1292240.36	864549.62
ii) REVENUE FROM SALE OF SERVICES		
Gross Job work / Services Rendered	6180.80	5485.52
Less : Inter Unit Job Work	2781.87	2584.00
	3398.93	2901.52
TOTAL (A) :	1295639.29	867451.14

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
B. OTHER OPERATING INCOME		
Scrap Sales	8802.19	7316.69
Packing, Forwarding and Insurance Recoveries	586.79	710.10
Exchange Rate Fluctuation (Net) (excluding exceptional items)	1204.44	4361.92
Export Incentive	5936.45	4899.03
GST Refund	361.64	3923.80
Miscellaneous Operating Income	182.37	227.17
TOTAL (B) :	17073.88	21438.71
TOTAL (A+B):	1312713.17	888889.85
26: OTHER INCOME		
Rent Received	968.26	975.74
Gain on Sale of Investment Property	10.76	0.00
Gain on Disposal of Right of use Assets	5.21	9.54
Gain on sale of Investments (Net)		
- On sale of Units of Mutual Funds	-	0.26
Miscellaneous Income	790.25	325.47
Interest rate swaps Derivative designated as FVTPL	3807.73	-
Sundry Credit Balances Written Back	321.13	185.80
Interest :		
-from Banks	1915.18	947.59
-from Others	326.60	21.72
Investment Income:		
- Dividend on 7.5% Cumulative Redeemable Preference Shares	2752.44	-
TOTAL :	10897.56	2466.12
27: COST OF MATERIALS CONSUMED		
Opening Stock	57980.31	39256.71
Add : Purchases	872317.65	528274.95
	930297.96	567531.66
Less : Inter Unit Purchases	42985.87	41484.83
	887312.09	526046.83
Less : Closing Stock	85138.39	57980.31
TOTAL :	802173.70	468066.52

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
28: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK -IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Stock-in-Trade	89.35	21.40
Finished Goods @	26921.41	18014.23
Work-in-Progress @	<u>20275.16</u>	20906.76
	47285.92	38942.39
Less: Closing Stock :		
Stock-in-Trade	203.95	89.35
Finished Goods	50890.53	24303.50
Work-in-Progress	<u>32578.57</u>	17810.72
	83673.05	42203.57
TOTAL :	(36387.13)	(3261.18)
@ Difference represents in respect of following material produced in Previous Financial Year during Trial Runs and included in current year opening Inventory:		
Work-in-Progress	2464.44	-
Finished Goods	2617.91	-
	<u>5082.35</u>	<u>-</u>
29: EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Benefits and Amenities	83986.54	73037.52
Contribution to Provident Fund and Other Funds	5170.11	4134.73
Employee Welfare Expenses	3338.08	2725.51
TOTAL :	92494.73	79897.76
30: FINANCE COSTS		
Interest		
- On Loans for Fixed Period	19671.36	14265.16
- On Other Loans / Liabilities	6438.75	4944.64
- On Lease Liabilities	829.47	281.00
- On Shortfall in payment of Advance Tax	<u>1077.67</u>	360.20
Discounting & Financial Charges	4228.93	3055.76
TOTAL :	32246.18	22906.76
31: OTHER EXPENSES		
A. OTHER MANUFACTURING EXPENSES		
Power & Fuel Consumed	54022.24	39593.65
Repair & Maintenance-Machinery	16746.34	12043.22
Stores Consumed	9644.97	7563.80
Tools, Jigs & Dies	309.25	274.89
Packing Material Consumed	41282.50	24256.60
Flexo Plates / Processing Charges for Cylinders	4861.56	4200.77
Less : Inter Unit Charges	<u>3641.80</u>	3106.07
	1219.76	1094.70
Design & Development Charges	2.65	6.99
Job Work Charges	1645.18	1581.94
Royalty Expenses	448.30	457.56
Other Direct Charges	191.22	156.28
R & D Charges	173.32	212.68
TOTAL (A) :	125685.73	87242.31

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the Year Ended 31.03.2022	(Rs. in Lacs) For the Year Ended 31.03.2021
B. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Short Term Leases	1985.26	1590.10
Leases of Low value	22.37	15.44
Rates & Taxes	1597.27	792.80
Insurance charges	3263.33	2731.56
Electricity & Water charges	618.38	529.48
Printing & Stationery	280.95	296.43
Postage & Telephone Expenses	1095.95	899.62
Vehicle Running & Maintenance Expenses	868.50	634.33
Conveyance & Travelling Expenses	5742.71	4062.14
Repair & Maintenance :		
- Building	1600.73	1393.55
- Others	9265.92	8582.56
Legal & Professional Charges	6433.91	3426.95
Directors' sitting fees	31.00	30.00
General Expenses	6420.36	5195.43
Commission on Sales	1781.18	1127.30
Advertisement & Publicity	1004.43	676.66
Entertainment Expenses	626.75	531.95
Charity & Donation	25.00	110.32
Corporate Social Responsibility Expenditure	391.52	222.24
Freight & Forwarding charges	52222.09	30411.20
Property, Plant & Equipment written Off	23.06	69.64
Loss on Sale of Property, Plant & Equipment (Net)	84.31	258.06
Amount utilised from allowance for bad and doubtful Trade receivables	(1301.51)	(863.56)
Allowance for bad and doubtful Trade receivables	4385.85	4364.12
Sundry Debit Balances / Bad Debts written-off	4249.99	5437.57
Quality Claims	908.03	1181.07
TOTAL (B) :	103627.34	73706.96
TOTAL :(A+B)	229313.07	160949.27
Additional Disclosure in respect of Investment Properties, that generated rental income;		
Insurance	35.99	24.47
Repair & Maintenance :		
- Building	23.17	22.86
Finance Cost on Lease Liabilities	1.96	1.96
Amortisation of Right of Use Assets	0.28	0.28
	61.40	49.57
32: EXPENSES ALLOCATED TO SELF CON-STRUCTED ASSETS		
Cost of Material Consumed	1221.98	1719.87
Employee Benefits Expense	431.52	529.80
Depreciation and amortisation expense	115.33	140.42
Other Expenses	308.90	369.07
TOTAL :	2077.73	2759.16

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

		(Rs. in Lacs)	
		As At 31.03.2022	As At 31.03.2021
33: I CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :			
A	i) Show cause notice / demands of Excise Authorities in respect of Excise Duty & Service Tax not acknowledged by the Company and are contested / appealed / replied.	4837.24	4888.29
	ii) Show cause notice / demands of Goods & Service Tax (GST) Authorities in respect of GST not acknowledged by the Company and are contested / appealed / replied.	64.15	29.69
	iii) Additional demands raised by the Income Tax Department, which are under rectification & appeal.	4520.17	1139.48
	iv) Additional demands raised by the Sales Tax Department, which are under rectification & appeal.	1121.92	1366.34
	v) Amount demanded by the erstwhile workers of the Company and are pending in labour Court.	15.92	15.92
	vi) Claims against the Company/disputed liabilities not acknowledged as debt.	439.90	439.90
	vii) Demand raised by the Concerned Development corporation on surrender of unutilised Industrial Leasehold Land.	62.69	62.69
	viii) Demands raised by the Electricity Departments, which are protested or under appeal	1167.12	364.29
B	i) Guarantees issued by Banks	4799.42	3710.08
	ii) Import duty obligations on outstanding export commitment under Advance Licence / EPCG Schemes.	43692.04	43555.20
	iii) Letters of Credit (Unexpired) issued by Banks (Net of Margin)	30535.14	7415.45
C	Liability in respect of Bonus for the FY 2014-15 arising due to retrospective amendment in the Payment of Bonus (Amendment) Act, 2015; which is contested by the Company.	429.85	429.85
	II The share in aggregate contingent liability of the Associate	1070.06	314.43
	i) In respect of Litigations	248.46	248.46
	ii) In respect of Other Matters	821.60	65.97

34: CAPITAL COMMITMENTS :

a.	The estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for :	52820.88	66487.97
b.	The share in the aggregate capital commitments of the Associate	1281.15	822.72

35: DISCLOSURES FOR ASSETS UNDER OPERATING LEASES

The following disclosures are made in respect of leases as required under Ind AS-116 on "Leases",

		(Rs. in Lacs)	
		Current Year	Previous Year
		Note No	
i)	Depreciation Charge on Right to Use Assets	2D	1823.02
ii)	Interest Expense on Lease Liabilities	30	829.47
iii)	Short Term Leases	31B	1985.26
iv)	Low Value Leases	31B	22.37
v)	Variable Lease Payments		-
vi)	Total Cash Outflows on Right to Use Assets		2864.42
vii)	Additions to Right to Use Assets	2D	18890.42
viii)	Carrying amount of Right to Use Assets	2D	49591.19

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

36: DEFINED BENEFIT PLAN

a) Gratuity

The present value of obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The additional disclosure in terms of Indian Accounting Standard-(Ind AS)-19, "Employee Benefits", is as under:

	Current Year	(Rs. In Lacs) Previous Year
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	5989.93	5304.56
Current Service cost	552.51	473.11
Interest cost	407.03	360.46
Actuarial (gain) / loss due to unexpected experience	619.45	364.56
Benefits paid	(750.51)	(512.76)
Obligations at period end	6818.41	5989.93
b. Reconciliation of opening and closing balances of fair value assets		
Plan assets at period beginning, at fair value	5136.94	4314.70
Interest Income	349.06	293.19
Return on Plan Assets excluding Interest Income	10.33	311.81
Contributions	1527.50	730.00
Benefits paid	(750.51)	(512.76)
Plan assets at period end, at fair value	6273.32	5136.94
c. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	6818.41	5989.93
Fair value of plan assets at the end of the period	(6273.32)	(5136.94)
Liability/ (Asset) recognized in the balance sheet	545.09	852.99
d. Gratuity cost for the period		
Current Service cost	552.51	473.11
Interest cost	407.03	360.46
Expected return on plan assets	(349.06)	(293.19)
Net Gratuity Cost recognised in Statement of Profit & Loss	610.48	540.38
e. Remeasurement (gains) and losses		
Actuarial (gain) / loss due to change in unexpected experience / assumptions	619.45	364.56
Return on Plan assets, excluding interest income	(10.33)	(311.81)
Net Gratuity Cost recognised in Statement of Other Comprehensive Income	609.12	52.75
Assumptions		
Interest rate	6.8% P.A.	6.8% P.A.
Estimated rate of return on plan assets	6.8% P.A.	6.8% P.A.

The expected benefits increases are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at 31st March 2022. The company is expected to contribute Rs. 1132.66 lacs to defined benefits plan obligations fund for the year ending 31st March 2023.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The significant accounting assumptions are the discount rate and expected salary increases. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period while other assumptions are constant.

If the discount rate increases /(decreases) by 0.5%, the defined benefit plan obligations would decrease by Rs.251.13 Lacs (increase by Rs.269.33 Lacs) as at 31st March 2022.

If the expected salary growth increases /(decreases) by 0.5%, the defined benefit plan obligations would increase by Rs.266.63 Lacs (decrease by Rs.250.04 Lacs) as at 31st March 2022.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

b) Leave Encashment

The Group has provided for its Liability towards Leave encashment, based on the actuarial valuation, disclosure whereof in terms of Indian Accounting Standard (Ind AS)- 19, "Employee Benefits" is as under:

	<u>Current Year</u>	<u>Previous Year</u>
		(Rs. In Lacs)
a. Reconciliation of opening and closing balances of obligation		
Obligations at period beginning	2432.91	2480.95
Service cost	343.58	126.32
Interest cost	165.32	168.59
Actuarial (gain) / loss	426.18	318.80
Benefits paid	(477.61)	(661.75)
Obligations at period end	2890.38	2432.91
b. Amount Recognized in Balance Sheet		
Present value of the defined benefit obligations at the end of the period	2890.38	2432.91
Liability recognized in the balance sheet	2890.38	2432.91
c. Leave Encashment cost for the period		
Service cost	343.58	126.32
Interest cost	165.32	168.59
Actuarial (gain) / loss	426.18	318.80
Net Leave Encashment cost for the period	935.08	613.71
Assumptions		
Interest rate	6.8% P.A.	6.8% P.A.

37: On 21st March 2022; Egyptian Government has devalued its currency. This has led to recognition of an expense of Rs. 3809.93 Lacs towards exchange loss arising on foreign currency obligations of Flex P. Films (Egypt) S.A.E. This expense has been disclosed as an exceptional item for the year ended 31st March 2022.

38: PREVIOUS YEAR FIGURES HAVE BEEN RECASTED / REGROUPED/ RECLASSIFIED, WHEREVER CONSIDERED NECESSARY.

39: The outbreak of coronavirus disease 2019 (COVID-19) has created an unprecedented global health crisis that has a deep impact on the businesses and economy. Group operates in multiple countries across the globe – both in terms of its manufacturing operations and the markets for its products and all these countries had imposed lockdowns of varying types aimed at containing the spread of the virus. Given that Group's business is manufacturing of Flexible Packaging Films and Flexible Packaging, which is predominantly used in food and Pharma packaging, all out efforts were being made by all countries to ensure the adequate supply of food and medicines to the public, which was made possible only due to seamless continued operations of packaging industry. While Group did face initial administrative and supply chain challenges in some countries during initial lockdown period, but there was no impact on its overall production and sales volumes during the period. While Group believes that its business will continue to remain unscathed by the pandemic; however there could be uncertainties in the future due to underlying developments w.r.t COVID 19, which are difficult to predict.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- 40:** Due to Outbreak of fire, certain assets situated in factory premises of the Holding Company at Sector-60 NOIDA, were partially damaged during the year ended 31st March, 2020. These assets are covered under insurance on reinstatement basis for which Holding Company has submitted the final claim of Rs. 637.94 Lacs upon reconstruction of damaged assets which become operational of 1st October 2021, which is expected to be recovered in full. Further, insurance Company has settled the claims in respect of assets fully destroyed in Jammu-2 location of the Holding Company during the current financial year. The claim received in excess of the net book value has been adjusted from the Cost of the new assets installed in replacement of the same.
- 41:** In the last quarter ended March 31, 2022, the Holding Company has received dividend income of Rs. 2470.42 lacs for the period from the date of respective allotment to December 31 2021 on investment in 7.5% Cumulative Redeemable Preferences Shares aggregating to Rs. 15250 Lacs. The same along with dividend income for the remaining period of the current financial year of Rs. 282.02 Lacs, aggregates to Rs. 2752.44 lacs, has been recognised as Dividend Income for the current year under the head "Other Income"- Note No-26.

42: EARNINGS PER SHARE

The following disclosure is made, as required by Indian Accounting Standard (Ind AS-33) on "Earnings Per Share" :-

	Current Year	Previous Year
(A) Profit for the year, after Adjustments, for computation of Basic Earnings & Diluted Earnings Per Share (Rs in Lacs); (viz.Numerator) (Rs.in lacs)	109825.73	84290.01
(B) Weighted Average Number of Equity Shares (viz. denominator) for		
(i) Basic Earnings Per Share	72211486	72211486
(ii) Weighted Average Number of Equity Shares (viz. denominator) for Diluted Earnings Per Share	72211486	72211486
(C) Nominal Value Per Share	Rs. 10/-	Rs. 10/-
(D) Earnings Per Share		
(a) Basic [A/B(i) (Rs.)]	152.09	116.73
(b) Diluted [A/B(ii) (Rs.)]	152.09	116.73

43: SEGMENT DISCLOSURE :

Segment disclosure in accordance with the Ind AS 108 on " Operating Segments" are as under:

Accounting Principles and policies, as reported in Significant Accounting polices, used in the preparation of financial statements are consistently applied to record revenue, expenditure, assets and liabilities, in each segment.

	(Rs. in Lacs)			
Particulars	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	1281794.03	30840.74	78.40	1312713.17
- Transaction with other operating segments	-	6325.00	-	6325.00
Total Revenue	1281794.03	37165.74	78.40	1319038.17
Identifiable operating expenses	(1055064.98)	(29977.65)	(10637.97)	(1095680.60)
Less: Cost of Intersegment Revenue	(3641.80)	-	(2683.20)	(6325.00)
Operating Profit	223087.25	7188.09	(13242.77)	217032.57
Other Income				10897.56
Share in Profit of Associate for the Year				429.82
Share in (Loss)/ Profit of Joint Ventures for the Year				(362.00)
EBIDTA				227997.95
Depreciation & Amortization Expenses				(53712.02)
EBITA				174285.93
Finance Cost				(32246.18)
Profit before exceptional items and tax				142039.75
Exceptional Items				(3809.93)
Tax expenses				(28287.59)
Net Profit				109942.23
Segment Assets	1316527.01	56143.40	71440.64	1444111.05
Segment Liabilities	565456.38	51136.00	157934.48	774526.86

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

For the Year Ended 31st March 2021				(Rs. in Lacs)
Particulars	Flexible Packaging Activities	Engineering Activities	Other (Un-allocable)	Total
Revenue from				
- External Customers	859729.10	28690.94	469.81	888889.85
- Transaction with other operating segments	-	6574.51	-	6574.51
Total Revenue	859729.10	35265.45	469.81	895464.36
Identifiable operating expenses	(664486.01)	(27760.72)	(16541.00)	(708787.73)
Less: Cost of Intersegment Revenue	(3106.08)	-	(3468.43)	(6574.51)
Operating Profit	192137.01	7504.73	(19539.62)	180102.12
Other Income				2466.12
Share in Profit of Associate for the Year				565.57
Share in (Loss)/ Profit of Joint Ventures for the Year				(435.01)
EBIDTA				182698.80
Depreciation & Amortization Expenses				(45572.76)
EBITA				137126.04
Finance Cost				(22906.76)
Profit before Tax				114219.28
Tax expenses				(29851.44)
Net Profit				84367.84
Segment Assets	1062602.45	52904.55	66453.00	1181960.00
Segment Liabilities	462991.54	47559.80	115746.46	626297.80

44: RELATED PARTY DISCLOSURES

(a) List of Related Parties (as per IND AS-24) :

- i) **Associate** : Flex Foods Limited
- ii) **Joint Venture** : Digicyl Pte. Ltd. (Singapore) & Digicyl Ltd. (Israel) being Wholly owned subsidiary of Digicyl Pte. Ltd. (Singapore)
- iii) **Key Management Personnel & their relatives / HUF** : Mr. Ashok Chaturvedi, Chairman & Managing Director (relatives Mrs. Rashmi Chaturvedi, Mr. Anantshree Chaturvedi, Mr. Apoorva Shree Chaturvedi and Ms. Anshika Chaturvedi), Ashok Chaturvedi (HUF), Mr. Jagmohan Mongia, Whole time Director (w.e.f.11/02/2021), Mr. Amitava Roy, Wholetime Director (upto 01/02/2021), Mr. Rajesh Bhatia, CFO and Mr. Ajay Krishna, Company Secretary
- iv) **Other Related Enterprises** : AKC Retailers Pvt. Ltd., Anshika Investments Pvt. Ltd., Anant Overseast Pvt. Ltd., Apoorva Extrusion Pvt. Ltd., Anshika Consultants Pvt. Ltd., A.R. Leasing Pvt. Ltd., A.R. Infrastructures & Projects Pvt. Ltd., AC Infrastructures Pvt. Ltd., Cinflex Infotech Pvt. Ltd., Flex International Pvt. Ltd., Ultimate Infratech Pvt. Ltd., Ultimate Flexipack Ltd., Ultimate Prepress LLP, Naveli Collections Pvt. Ltd., Modern Info Technology Pvt. Ltd., Magic Consultants Pvt. Ltd. and A.L. Consultants Pvt. Ltd.,

(b) The Group has entered into transactions with certain parties listed above during the year under consideration. Details of these transactions are as follows :

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

Transactions	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Other Related Enterprises as referred to in 'a (iv)' above	Total
i) Trade Transactions					
Sale of Goods/Services (Net)	44.34	-	-	2545.08	2589.42
	44.14	-	-	4020.70	4064.84
Purchase of Goods/Services (Net)	-	-	-	32363.59	32363.59
	-	-	-	27838.72	27838.72
Purchase of Property, Plant & Equipment	-	-	-	-	-
	-	-	-	2.40	2.40
Sale of Property, Plant & Equipment	-	-	-	20.30	20.30
	-	-	-	-	-
Sale of DEP B Licence	-	-	-	129.51	129.51
	-	-	-	-	-
Purchase of DEP B Licence	-	-	-	-	-
	71.91	-	-	-	71.91
Rent Received	9.00	-	63.60	64.56	137.16
	9.00	-	61.20	55.56	125.76
Rent Paid	-	-	270.00	395.17	665.17
	-	-	264.00	190.58	454.58
Royalty Expenses	-	-	128.45	-	128.45
	-	-	210.00	-	210.00
Interest Paid on Loans	-	-	-	-	-
	6.53	-	-	19.70	26.23
Interest Received	73.56	3.70	-	-	77.26
	-	3.58	-	-	3.58
Dividend Received	58.70	-	-	-	58.70
	44.03	-	-	-	44.03
Remuneration *	-	-	2571.11	-	2571.11
	-	-	4118.52	-	4118.52
ii) Non Trade Transactions					
Repayment of Loan Taken	-	-	-	-	-
	100.00	-	-	675.00	775.00
Dividend Paid	-	-	58.04	736.56	794.60
	-	-	46.43	589.25	635.68
Loan Given	3,000.00	-	-	-	3000.00
	-	-	-	-	-

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

Transactions	Associate	Joint Venture	Key Management Personnel & their Relatives / HUF	Other Related Enterprises as referred to in 'a (iv)' above	Total
Recovery of Loan Given	1,500.00	-	-	-	1500.00
	-	-	-	-	-
Payment of Lease Liabilities	-	-	-	24.20	24.20
	-	-	-	228.79	228.79
Total	4685.60	3.70	3091.20	36278.97	44059.47
	<i>275.61</i>	<i>3.58</i>	<i>4700.15</i>	<i>33620.70</i>	<i>38600.04</i>
Balance as on 31.03.2022					
Debit	1,554.78	146.29	-	6189.86	7890.93
	<i>0.01</i>	<i>138.25</i>	-	<i>6378.64</i>	<i>6516.90</i>
Credit	0.03	-	534.73	23600.61	24135.37
	-	-	<i>1158.99</i>	<i>18365.21</i>	<i>19524.20</i>

Previous Year figures have been given in Italic.

* Includes

	Rs in Lacs	
	Current Year	Previous Year
Salary	2076.60	2906.34
Perquisites	41.57	57.38
Short Term Employees Benefits	2.94	19.80
Commission	450.00	1135.00
Total	2571.11	4118.52

45: FINANCIAL INSTRUMENTS

The carrying value of instruments by categories are as follows:

(Rs. in Lacs)

Particulars		Amortised Cost	Financial assets / liabilities at fair value through Profit or Loss	Financial assets / liabilities at fair value through OCI	Total Carrying Value
Assets					
Cash and cash equivalents (Including Other Bank Balances)	CY	58827.43	-	-	58827.43
	PY	61579.92	-	-	61579.92
Investments					
Equity and other securities	CY	20629.98	-	587.27	21217.25
	PY	20255.95	-	273.93	20529.88
Trade Receivables	CY	351074.30	-	-	351074.30
	PY	240143.93	-	-	240143.93
Loans	CY	7587.61	-	-	7587.61
	PY	3070.59	-	-	3070.59
Other financial assets	CY	13482.58	-	-	13482.58
	PY	11360.98	-	-	11360.98

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	(Rs. in Lacs)				
		Amortised Cost	Financial assets / liabilities at fair value through Profit or Loss	Financial assets / liabilities at fair value through OCI	Total Carrying Value
Total	CY	451601.90	-	587.27	452189.17
	PY	336411.37	-	273.93	336685.30
Liabilities					
Trade payables	CY	194740.60	-	-	194740.60
	PY	134711.04	-	-	134711.04
Other financial liabilities	CY	34138.41	-	-	34138.41
	PY	30601.92	-	-	30601.92
Borrowings	CY	456250.67	-	-	456250.67
	PY	398512.95	-	-	398512.95
Lease Liabilities	CY	22412.03	-	-	22412.03
	PY	5562.38	-	-	5562.38
Total	CY	707541.71	-	-	707541.71
	PY	569388.29	-	-	569388.29

Fair Value hierarchy disclosures:

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

Level 2: Input other than quoted price included within Level 1 that are observable for the assets or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Particulars	Total	Level 1	Level 2	Level 3
Investment in equity instruments	CY 587.27	587.27	-	-
	PY 273.93	273.93	-	-
Investment in Preference Shares	CY 15250.00	-	-	15250.00
	PY 15250.00	-	-	15250.00

46: TRADE RECEIVABLE AGEING SCHEDULE

S. No.	Particulars	As at 31st March	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 month- 1 year	1-2 years	2-3 years	more than 3 years	
			(Rs. in Lacs)					
(i)	Undisputed- Considered Good	2022	309362.07	16258.30	8406.62	6233.49	10813.82	351074.30
		2021	199395.64	17554.92	9539.72	12585.83	1067.82	240143.93
(ii)	Undisputed- Considered doubtful	2022	1972.57	271.96	2442.19	12.29	5382.86	10081.87
		2021	505.00	115.39	1168.41	2430.52	895.22	5114.54
(iii)	Disputed considered good	2022	1.48	7.46	63.00	23.25	629.57	724.76
		2021	9.16	4.43	3.82	145.94	628.49	791.84
(iv)	Disputed considered doubtful	2022	169.03	9.99	726.81	387.32	996.76	2289.91
		2021	300.45	113.74	485.63	154.82	2995.56	4050.20
Total		2022	311505.15	16547.71	11638.62	6656.35	17823.01	364170.84
		2021	200210.25	17788.48	11197.58	15317.11	5587.09	250100.51

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

47: Trade Payable Ageing Schedule

(Rs. in Lacs)

S. No.	Particulars	As at 31st March	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			(i) MSME	2022	2586.53	-	
		2021	1497.21	-	-	-	1497.21
(ii) Others	2022	184781.05	7063.93	180.37	128.72	192154.07	
		2021	124832.50	8008.61	99.30	273.42	133213.83
(iii) Disputed dues-MSME	2022	-	-	-	-	-	
		2021	-	-	-	-	
(iv) Disputed dues- Others	2022	-	36.44	-	-	36.44	
		2021	-	-	-	-	
Total	2022		187367.58	7100.37	180.37	128.72	194777.04
		2021	126329.71	8008.61	99.30	273.42	134711.04

48: Capital-work-progress ageing schedule:

(Rs.in lacs)

S. No.	Particulars	As at 31st March	Amount in Capital Work in Progress for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			(i) Project in Progress	2022	65997.28	224.66	
		2021	150917.84	-	-	-	150917.84
(ii) Projects Temporarily suspended	2022	-	-	-	-	-	
		2021	-	-	-	-	
Total	2022		65997.28	224.66	-	-	66221.94
		2021	150917.84	-	-	-	150917.84

49: Intangible assets under development ageing schedule:

(Rs.in lacs)

S. No.	Particulars	As at 31st March	Amount in Capital Work in Progress for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			(i) Project in Progress	2022	4.73	835.40	
		2021	835.40	-	-	-	835.40
(ii) Projects Temporarily suspended	2022	-	-	-	-	-	
		2021	-	-	-	-	
Total	2022		4.73	835.40	-	-	840.13
		2021	835.40	-	-	-	835.40

50: ADDITIONAL DISCLOSURE REQUIRED UNDER SCHEDULE-III OF THE COMPANIES ACT, 2013

- No proceeding has been initiated or pending against any Company in the Group for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (43 of 1988) and the rules made thereunder.
- No Company in the Group has been declared as wilful defaulter by any bank or financial institution or other lender.
- As per information available with the Management, the Group does not have any transaction with Companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. However the Holding Company had made Investment in one of the struck off Company i.e. Fair Growth Financial Services Limited (Rs. 10.00 lacs represented by 100000 Equity Shares of Rs. 10/- Each) the value whereof is already been impaired in earlier years. Further the Holding Company, Indian Subsidiary / Associate have no relationship with the struck off company except for the investment made in earlier years.
- The Group is in compliance with the regulation as to the number of layers of Companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restoration on number of Layers) Rules, 2014.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) No funds have been received by the Group from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) There's no transaction which has not been recorded in any Company in the Group in their respective books of accounts and disclosed or surrendered as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

51: FINANCIAL RISKS MANAGEMENT

In the course of business, amongst others, the Group is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of the Group causing adverse influence on the achievement of Group's strategies, operational and financial objectives, earning capacity and financial position.

The Group has formulated an appropriate policy and established a risk management framework which encompass the following process.

- identify the major financial risks which may cause financial losses to the Group
- assess the probability of occurrence and severity of financial losses
- mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedures
- Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system.

The Group enterprise risk management system is monitored and reviewed at all levels of management, Audit Committee and the Board of Directors from time to time.

Credit Risk

Credit Risk refers to the risks that arise on default by the counterparty on its contractual obligation resulting into financial loss to the Group. The Group may carry this Risk on Trade and other receivables, liquid assets and some of the non current financial assets.

In case of Trade receivables, the Group has framed appropriate policy for extending credits period & limit to each customer based on their profile, financial position and their external rating etc. The collections of trade dues are strictly monitored. In case of Export customers, even credit guarantee insurance is also obtained wherever required.

Group's exposure to Credit Risk is also influenced by the concentration of risk from top five customers. The details in respect of the% of sales generated from the top customer and top five customers are given hereunder.

Particulars	Current Year	Previous Year
Revenue from Top Customer	5%	7%
Revenue from Top Five Customers	12%	15%

The credit risk on cash & cash equivalent, investment in fixed deposits, liquid funds and deposits are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the rating agencies of international repute.

Liquidity Risk

Liquidity Risk arises when the Group is unable to meet its short term financial obligations as and when they fall due.

The Group maintains adequate liquidity in the system so as to meet its all financial liabilities timely. In addition to this, the Group's overall financial position is very strong so as to meet any eventuality of liquidity tightness.

Contractual maturities of financial liabilities are given as under:

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	As at 31st March 2022	(Rs. in Lacs)	
		Due within 12 months from Balance sheet Date	Due beyond 12 months of Balance Sheet Date
Borrowings	456250.67	149066.35	307184.32
Lease Liabilities	22412.03	1438.31	20973.72
Trade payables			
Total outstanding dues of Micro, Small & Medium enterprises	2586.53	2586.53	-
Total outstanding dues of creditors other than Micro, Small & Medium enterprises	192154.07	192154.07	-
Other Financial Liabilities	34138.41	27252.62	6885.79

Interest Rate Risk

Generally market linked financial instruments are subject to interest rate risk. The Group does not have any marked linked financial instrument both on the asset or liability side. Hence no interest rate risk.

In case of the borrowings by the Group, the Group is subject to interest rate risk on account of any fluctuation in the base prime lending rate (BPLR) fixed by the banks. Every fluctuation in the BPLR of the bank either on the higher or lower side will result into financial loss or gain to the Group.

The debt of the company is linked with the BPLR for loans from Indian Banks and for overseas entities major portion of the debt is linked with the LIBOR. The total proportions of borrowings based on variable rate of interest is Rs. 337357.22 Lacs out of the total Borrowings of Rs.456250.67 Lacs.

Based on the structure of net debt as at year end, a one percentage point increase in the debt would cause an additional expense in the net financing cost of Rs. 3373.57 Lacs.

Foreign Currency Risk

The Group is exposed to the foreign currency risk from transactions & translation. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

The carrying amount of the Group's material foreign currency dominated monetary Assets and Liabilities at the end of the reporting period is as below:

Currency	(Rs. in Lacs)			
	Monetary Assets		Monetary Liabilities	
	Current Year	Previous Year	Current Year	Previous Year
USD	71456.30	47182.42	61677.12	33867.53
Euro	33639.22	59609.77	103507.00	128698.17
GBP	10027.83	5944.77	122.06	175.28

Following Table Summaries approximate gain/(loss) on Company's Profit before tax on account of appreciation and depreciation of underlying foreign currencies of the above table

Currency	Effect on Profit before tax	
	Current Year	Previous Year
Closing USD Rate (in Rs.P.)	75.81	73.5
Closing Euro Rate (in Rs.P.)	84.66	86.10
Closing GBP Rate (in Rs.P.)	99.55	100.95
5% appreciation (Rs. in lacs)	(2509.14)	(2500.20)
5% depreciation (Rs. in lacs)	2509.14	2500.20

Commodity Price Risk

The main raw materials which Group procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly.

The pricing policy of the Group final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.

With regard to the finished products, the Group has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products.

In order to combat this situation, the Group formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, Group counters the competition and consequently commodity price risk.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

52: ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES/ ASSOCIATE / JOINT VENTURES

S. NO	Name of the Enterprises	Net Assets i.e. Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs. in Lacs)	As % of consolidated profit or loss	Amount (Rs. in Lacs)	As % of consolidated profit or loss	Amount (Rs. in Lacs)	As % of consolidated profit or loss	Amount (Rs. in Lacs)
Parent									
	Uflex Limited	40.06%	2,68,216.48	20.24%	22,229.85	2.71%	156.54	19.36%	22,386.39
		44.57%	2,47,635.38	27.34%	23,044.27	2.50%	75.62	26.48%	23,119.89
Subsidiary									
Indian									
1	USC Holograms Pvt. Ltd.	0.43%	2,900.86	0.23%	247.56	0.00%	-	0.21%	247.56
		0.46%	2,536.80	0.20%	165.38	0.00%	-	0.19%	165.38
Foreign									
1	Flex Middle East FZE	27.14%	1,81,708.99	2.57%	2,820.13	0.00%	-	2.44%	2,820.13
		31.22%	1,73,452.65	5.42%	4,571.70	0.00%	-	5.24%	4,571.70
2	Flex Americas S.A. de C.V.	12.20%	81,660.36	15.13%	16,612.51	0.00%	-	14.37%	16,612.51
		7.78%	60,802.33	22.30%	18,796.09	0.00%	-	21.53%	18,796.09
3	Flex P. Films Egypt S.A.E.	15.23%	1,01,979.61	31.41%	34,501.13	0.00%	-	29.84%	34,501.13
		12.55%	69,758.85	23.26%	19,602.45	0.00%	-	22.45%	19,602.45
4	Flex Films Europa Sp. Z.o.o.	16.82%	1,12,653.06	22.52%	24,731.74	0.00%	-	21.39%	24,731.74
		16.15%	89,725.75	16.53%	13,932.02	0.00%	-	15.96%	13,932.02
5	Flex Films (USA) Inc.	8.27%	55,394.37	10.35%	11,363.92	0.00%	-	9.83%	11,363.92
		7.80%	43,350.30	8.57%	7,225.05	0.00%	-	8.27%	7,225.05
6	UFlex Europe Limited	-0.07%	(477.84)	-1.73%	(1,901.41)	0.00%	-	-1.64%	(1,901.41)
		0.26%	1,443.59	-1.95%	(1,645.49)	0.00%	-	-1.88%	(1,645.49)
7	UFLEX Packaging Inc.	0.54%	3,585.81	0.30%	333.56	0.00%	-	0.29%	333.56
		0.57%	3,153.15	0.80%	676.20	0.00%	-	0.77%	676.20
8	UPET Holdings Limited	4.33%	28,967.00	-0.01%	(7.58)	0.00%	-	-0.01%	(7.58)
		5.06%	28,091.70	-0.01%	(7.35)	0.00%	-	-0.01%	(7.35)
9	UPET Singapore Pte. Ltd.	4.32%	28,913.93	0.00%	-	0.00%	-	0.00%	-
		5.04%	28,032.90	-0.01%	(7.35)	0.00%	-	-0.01%	(7.35)
10	Flex Films RUS LLC	3.56%	23,855.89	5.09%	5,585.95	0.00%	-	4.83%	5,585.95
		3.54%	19,674.32	4.91%	4,137.68	0.00%	-	4.74%	4,137.68
11	Flex Films Africa Pvt Ltd.	2.24%	14,982.84	-2.98%	(3,277.10)	0.00%	-	-2.83%	(3,277.10)
		2.96%	16,469.60	0.00%	-	0.00%	-	0.00%	-
12	Flex Chemicals (P) Ltd.	0.00%	5.23	0.02%	20.56	0.00%	-	0.02%	20.56
		0.00%	(16.51)	-0.01%	(6.60)	0.00%	-	-0.01%	(6.60)
13	Flex Films Europa Korlatolt Felelossegu Tarsasag	3.12%	20,894.09	7.39%	8,118.89	0.00%	-	7.02%	8,118.89
		2.34%	12,992.49	0.32%	266.91	0.00%	-	0.31%	266.91
14	Flex Foils Bangladesh Private Limited	0.99%	6,607.84	-0.88%	(971.27)	0.00%	-	0.00%	-
		0.00%	-	0.00%	-	0.00%	-	0.00%	-
15	Flex Specialty Chemicals (Egypt) S.A.E.	0.02%	144.04	-	(7.58)	0.00%	-	0.00%	-
		0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Non-Controlling Interest in Subsidiary	-0.14%	(928.29)	-0.11%	(116.50)	0.00%	-	-0.10%	(116.50)
		-0.15%	(811.79)	-0.09%	(77.83)	0.00%	-	-0.09%	(77.83)
	Exchange Difference on translating foreign operations					97.29%	5,628.23	4.87%	5,628.23
						86.01%	2,604.13	2.98%	2,604.13
Associate & Joint Venture (Investment as per Equity Method)									
Associate									
1	Flex Foods Limited	0.80%	5,368.73	0.39%	429.82	0.05%	2.91	0.37%	432.73
		0.90%	4,994.70	0.67%	565.57	0.31%	9.26	0.66%	574.83
Joint Ventures									
2	Digicyl Pte. Ltd.	0.05%	356.10	-0.01%	(6.78)	0.00%	-	-0.01%	(6.78)
		0.06%	(347.65)	-0.01%	(5.20)	0.00%	-	-0.01%	(5.20)
3	Digicyl Limited, Israel (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	-0.35%	(2,312.44)	-0.33%	(365.07)	0.00%	-	-0.32%	(365.07)
		-0.32%	(1,800.47)	-0.51%	(432.22)	0.00%	-	-0.49%	(432.22)

Notes:

- Figures of Net Assets & Share in Profit or Loss / Other Comprehensive Income / Total Comprehensive Income of the Foreign subsidiaries are reported as per respective Balance Sheets and are converted into INR based on the Closing Exchange Rates stated in the Note No.46.
- Previous Year figures have been given in italics.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

53: STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE / JOINT VENTURES, AS PER FIRST PROVISIO TO SECTION 129(3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

Part "A" : Subsidiaries														
Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share Capital	Reserve & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after dividend taxation	Proposed dividend	% of Shareholding
INR in Lacs														
FC in Million														
Indian														
1	USC Holograms Pvt. Ltd.	Not Applicable	INR	6.00	2,894.86	10,062.79	7,161.93		5,275.08	486.51	122.45	364.06	-	68%
				6.00	2,530.80	7,503.77	4,966.97		4,785.34	326.45	83.24	243.21	-	68%
Foreign														
1	Flex Middle East FZE	Not Applicable	INR	22,106.20	1,59,602.79	2,30,242.55	48,535.56	1,49,413.93	50,421.23	2,820.13	-	2,820.13	-	100%
			US \$	29.16	210.53	303.71	64.02	197.09	66.51	3.72	-	3.72	-	100%
			INR	21,432.60	1,52,020.05	2,04,837.15	31,384.50	1,38,135.90	43,504.65	4,571.70	-	4,571.70	-	100%
			US \$	29.16	206.83	278.69	42.70	187.94	59.19	6.22	-	6.22	-	100%
2	FlexAmericas S.A. de C.V.	Not Applicable	INR	15,999.95	65,660.40	1,29,525.86	47,865.51	-	1,55,060.82	23,988.09	7,375.58	16,612.51	-	100%
			INR	419.22	1,720.39	3,393.75	1,254.14	-	4,062.80	628.52	193.25	435.27	-	100%
			MXN	14,955.67	45,846.66	84,098.10	23,295.78	-	1,08,120.22	27,832.56	9,036.48	18,796.09	-	100%
			MXN	419.22	1,285.12	2,357.34	653.00	-	3,030.70	780.17	253.30	526.87	-	100%
3	Flex P. Films Egypt S.A.E.	Not Applicable	INR	36,320.57	65,659.04	2,09,698.04	1,07,718.43	151.62	2,15,520.25	44,477.73	9,976.60	34,501.13	4,472.79	100%
			US \$	47.91	86.61	276.61	142.09	0.20	284.29	58.67	13.16	45.51	5.90	100%
			INR	35,213.85	34,545.00	1,69,402.80	99,643.95	-	1,05,479.85	25,578.00	5,975.55	19,602.45	3,520.65	100%
			US \$	47.91	47.00	230.48	135.57	-	143.51	34.80	8.13	26.67	4.79	100%
4	Flex Films Europa Sp. Z.o.o.	Not Applicable	INR	18,452.42	94,200.64	1,90,167.05	77,513.99	11,678.47	1,29,459.73	24,706.28	(25.46)	24,731.74	1,251.13	100%
			PLN	101.47	518.01	1,045.73	426.25	64.22	711.90	135.86	(0.14)	136.00	6.88	100%
			INR	18,831.51	70,894.23	1,55,644.39	65,918.65	11,918.40	80,743.34	13,546.00	(386.02)	13,932.02	-	100%
			PLN	101.47	382.00	838.66	355.19	64.22	435.07	72.99	(2.08)	75.07	-	100%
5	Flex Films (USA) Inc.	Not Applicable	INR	27,291.60	28,102.77	90,342.78	34,948.41	-	1,75,174.17	14,707.14	3,343.22	11,363.92	682.29	100%
			US \$	36.00	37.07	119.17	46.10	-	231.07	19.40	4.41	14.99	0.90	100%
			INR	26,460.00	16,890.30	63,312.90	19,962.60	-	1,19,915.25	9,040.50	1,815.45	7,225.05	-	100%
			US \$	36.00	22.98	86.14	27.16	-	163.15	12.30	2.47	9.83	-	100%
6	UFlex Europe Limited	Not Applicable	INR	6,062.60	(6,540.44)	20,895.55	21,373.39	-	15,728.90	(1,901.41)	-	(1,901.41)	-	100%
			GBP	6.09	(6.57)	20.99	21.47	-	15.80	(1.91)	-	(1.91)	-	100%
			INR	6,147.86	(4,704.27)	14,153.19	12,709.61	-	13,890.63	(999.41)	646.08	(1,645.49)	-	100%
			GBP	6.09	(4.66)	14.02	12.59	-	13.75	(0.99)	0.64	(1.63)	-	100%
7	UFLEX Packaging Inc.	Not Applicable	INR	2,789.81	796.01	9,468.67	5,882.86	-	14,411.48	538.25	204.69	333.56	-	100%
			US \$	3.68	1.05	12.49	7.76	-	19.01	0.71	0.27	0.44	-	100%
			INR	2,704.80	448.35	5,622.75	2,469.60	-	11,127.90	867.30	191.10	676.20	-	100%
			US \$	3.68	0.61	7.65	3.36	-	15.14	1.18	0.26	0.92	-	100%

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Part "A" : Subsidiaries		INR in Lacs												
Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share Capital	Reserve & Total surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Provision for Taxation	Profit/(Loss) after taxation	Proposed dividend holding	% of Shareholding
8	UPET Holdings Limited	Not Applicable	INR	29,111.04	(144.04)	28,974.58	7.58	28,944.26	-	(7.58)	-	(7.58)	-	100%
			US \$	38.40	(0.19)	38.22	0.01	38.18	-	(0.01)	-	(0.01)	-	-
			INR	28,224.00	(132.30)	28,091.70	-	28,062.30	-	(7.35)	-	(7.35)	-	100%
			US \$	38.40	(0.18)	38.22	-	38.18	-	(0.01)	-	(0.01)	-	-
9	UPET (Singapore) Pte. Ltd.	Not Applicable	INR	28,959.42	(45.49)	28,921.52	7.58	28,845.71	-	-	-	-	-	100%
			US \$	38.20	(0.06)	38.15	0.01	38.05	-	-	-	-	-	-
			INR	28,077.00	(44.10)	28,040.25	7.35	27,966.75	-	(7.35)	-	(7.35)	-	100%
			US \$	38.20	(0.06)	38.15	0.01	38.05	-	(0.01)	-	(0.01)	-	-
10	Flex Films RUS LLC #	31-Dec-21	INR	14,544.79	9,311.09	54,060.75	30,204.86	-	46,771.85	5,754.10	168.15	5,585.95	-	100%
			RUB	1,613.22	1,032.73	5,996.09	3,350.14	-	5,187.65	638.21	18.65	619.56	-	100%
			INR	15,662.75	4,011.56	52,110.73	32,436.41	-	23,911.62	4,227.40	89.71	4,137.68	-	100%
			RUB	1,613.22	413.18	5,367.26	3,340.86	-	2,462.83	435.41	9.24	426.17	-	100%
11	Flex Films Africa Pvt Ltd.	Not Applicable	INR	18,259.95	(3,277.10)	99,775.78	84,792.94	-	43,366.04	(3,277.10)	-	(3,277.10)	-	100%
			N	9,999.97	(1,794.69)	54,641.72	46,436.44	-	23,749.20	(1,794.69)	-	(1,794.69)	-	100%
			INR	16,469.60	-	83,923.56	67,453.96	-	-	-	-	-	-	100%
			N	8,571.42	-	43,371.35	34,859.93	-	-	-	-	-	-	100%
12	Flex Chemicals (P) Ltd. #	31-Dec-21	INR	0.45	4.78	195.92	190.69	-	273.00	26.51	5.95	20.56	-	100%
			RUB	0.05	0.53	21.73	21.15	-	30.28	2.94	0.66	2.28	-	100%
			INR	0.49	(16.99)	231.37	247.87	-	219.52	(7.67)	(1.07)	(6.60)	-	100%
			RUB	0.05	(1.75)	23.83	25.53	-	22.61	(0.79)	(0.11)	(0.68)	-	100%
13	Flex Films Europa Koriatoit Felelossegu Tarsasag	Not Applicable	INR	12,512.75	8,381.34	1,03,209.01	82,314.92	-	79,817.45	8,195.09	76.19	8,118.89	-	100%
			Euro	14.78	9.90	121.91	97.23	-	94.28	9.68	0.09	9.59	-	100%
			INR	12,725.58	266.91	89,061.84	76,069.35	-	12,157.32	292.74	25.83	266.91	-	100%
			Euro	14.78	0.31	103.44	88.35	-	14.12	0.34	0.03	0.31	-	100%
14	Flex Fols Bangladesh Private Limited	Not Applicable	INR	7,579.11	(971.27)	26,831.76	20,223.92	-	(971.27)	(971.27)	-	(971.27)	-	100%
			BKT	680.29	(87.18)	2,408.38	1,815.27	-	-	(87.18)	-	(87.18)	-	100%
			INR	-	-	-	-	-	-	-	-	-	-	100%
			BKT	-	-	-	-	-	-	-	-	-	-	100%
15	Flex Specialty Chemicals (Egypt) S.A.E. - Unaudited Accounts	Not Applicable	INR	151.62	(7.58)	879.40	735.36	-	-	(7.58)	-	(7.58)	-	100%
			US \$	0.20	(0.01)	1.16	0.97	-	-	(0.01)	-	(0.01)	-	100%
			INR	-	-	-	-	-	-	-	-	-	-	100%
			US \$	-	-	-	-	-	-	-	-	-	-	100%

Notes:

- Name of subsidiaries which are yet to commence operations
1 Flex Films Bangladesh Pvt. Ltd
2 Flex Specialty Chemicals (Egypt) S.A.E.
- Name of Subsidiaries which have been liquidated or sold during the year
NIL
- Name of Subsidiary not considered for Consolidation
N.A
- These Companies adopts Calendar Year as Financial Year and accordingly the above figures are reported based on their audited accounts. However for consolidation purpose the figures are considered for the period from 1st April 2021 to 31st March 2022.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

**Part "B": Associate and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company and joint Ventures**

Sl No.	Name of the Associate / Joint Ventures	Latest Audited Balance Sheet Date	Share of Associate / Joint Ventures held by the Company on the year end		Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to Shareholding as per latest Audited Balance Sheet (Rs. in Lacs)	Profit or Loss for the Year		Other Comprehensive Income	
			No.	Amount of Investment in Associates / Joint Venture (Rs. in Lacs)				Extent of Holding %	Considered in Consolidation (Rs. in Lacs)	Not Considered in Consolidation (Rs. in Lacs)	Considered in Consolidation (Rs. in Lacs)
	Associate										
1	Flex Foods Limited	31-Mar-22	5870000	587.00	47.15% By Virtue of Shareholding	NA	5,368.73	429.82	-	2.91	-
		31-Mar-21	5870000	587.00	47.15% By Virtue of Shareholding	NA	4,994.70	565.57	-	9.26	-
	Joint Venture @										
2	Digicyl Pte. Ltd., Singapore (Unaudited)	31-Dec-21	500000	337.50	50% By Virtue of Shareholding	NA	356.10	(6.78)	-	-	-
		31-Dec-20	500000	337.50	50% By Virtue of Shareholding	NA	347.65	(5.20)	-	-	-
3	Digicyl Limited, Israel (Unaudited) (Wholly Owned Subsidiary of Digicyl Pte. Ltd.)	31-Dec-21	-	-	- By Virtue of Shareholding in Digicyl Pte. Ltd.	NA	(2,312.44)	(365.07)	-	-	-
		31-Dec-20	-	-	-	NA	(1,800.47)	(432.22)	-	-	-

Exchange Rate: USD/INR Rs. 75.81 (Previous Year Rs. 73.50) taken for JV in Singapore & NS (ISL/INR=Rs. 23.8629 (Previous Year Rs. 22.0628) taken for JV in Israel.

Networth is reported after making necessary adjustment for impairment provided in the Company Standalone Financials for investment in Subsidiary Digicyl Limited, Israel.

@ Joint Venture Companies have adopted Calendar Year as Financial Year. However for Consolidation and reporting purpose the figures of Profit & Loss are considered for the period from 1st April 2021 to 31st March 2022.

Notes:

- 1 Name of Associates / Joint Ventures which are yet to commence operations NIL
- 2 Names of Associates / Joint Ventures which have been liquidated or sold during the year NIL
- 3 Name of Associates / Joint Ventures which are not considered for consolidation NIL

Signatories to Notes 1 to 53

For and on behalf of the Board of Directors

Rajesh Bhatia
Group President
(Finance & Accounts) & CFO

Jagmohan Mongia
Whole-time Director
DIN 09051022

Ashok Chaturvedi
Chairman & Managing Director
DIN 00023452

Ajay Krishna
Sr. Vice President (Legal) & Company Secretary

For MSKA & Associates
Chartered Accountants
Firm's Registration No.: 105047W

For KAAP & Associates
Chartered Accountants
Firm's Registration No.: 019416N

Place : NOIDA
Dated : 28th May, 2022

Vinod Gupta
Partner
M.No.: 503690

Deepak Sehgal
Partner
M.No.: 085391



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UFLEX LIMITED