

7/Govt/SE-16  
September 7, 2022

**The Department of Corporate Services  
BSE Limited,  
Department of Corporate Service,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001  
Fax No. (022) 22722061, 41, 39, 37**

**Scrip ID: 516030  
Scrip Code: YASHPAKKA**

**Sub: Annual Report for the Financial Year 2021-22**

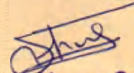
Dear Sir/Madam,

The Forty Second (42<sup>nd</sup>) Annual General Meeting ("AGM") of the Members of Yash Pakka Limited ("the Company") is scheduled to be held on Friday, September 30, 2022 at 10:00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") as per the Circulars issued by the Ministry of Corporate Affairs dated May 05, 2020, January 13, 2021 and General Circular No. 2/2022 dated 05-05-2022 and Securities and Exchange Board of India vide its circulars dated May 12, 2020, January 15, 2021.

Pursuant to Regulation 34 and Regulation 36 of SEBI (LODR) Regulations, 2015, please find enclosed herewith electronic copy of the Notice of the 42<sup>nd</sup> Annual General Meeting (AGM) and the Annual Report for the financial year 2021-22 ("Annual Report") comprising the Notice of the AGM and the Audited Standalone and Consolidated Financial Statements for the financial year 2021-22, along with Board's Report, Auditors' Report and other documents required to be attached thereto, being sent today i.e. September 7, 2022 by email to those Members whose email addresses are registered with the Company/Depository Participant(s).

The requirements of sending physical copy of the Notice of the AGM and Annual Report to the Members have been dispensed with vide MCA Circular/s and SEBI Circular mentioned above. The Notice of the 42<sup>nd</sup> AGM and the Annual Report are also being uploaded on the website of the Company at [www.yashpakka.com](http://www.yashpakka.com) and the website of National Securities and Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**For Yash Pakka Limited**

  
**Sachin Kumar Srivastava**  
Company Secretary & Head Legal



The details such as manner of (i) registering / updating - email address / Bank account details, (ii) casting vote through e-voting and (iii) attending the AGM through 'VC / OAVM' has been set out in the Notice of the AGM.

The E-Voting shall commence **Tuesday, September 27, 2022 (09.00 AM) to Thursday, September 29, 2022 (5.00 P.M.) (both days Inclusive)** for purpose of **42<sup>nd</sup> Annual General Meeting**. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company has provided e-voting facility for all its shareholders in proportion to their share held on **cut-off date i.e. Friday, September 23, 2022**.

Please take the above on your record and disseminate the same for the information of investors.

Thanking you

Yours faithfully,  
**for Yash Pakka Limited**



Sachin Kumar Srivastava  
Company Secretary & Legal Head

**Encl:** As above



# POISED FOR IMPACT!

**Yash Pakka Limited**

Annual Report 2021-22



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### POISED FOR IMPACT

***We begin with a collection of interviews with key business leaders of Yash Pakka on their views around impact and business sustainability. We also provide an overview of our business.***

- ♦ Impact stories
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- ♦ At a glance

## 22-27

### ON THE GROWTH PATH

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- ♦ Chairman's statement
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## 34-39

### FORTIFYING OUR FOUNDATIONS

***We provide an overview of how we are strengthening the foundations of our business through a focus on value drivers, our capitals, and our innovation engine and how we are mitigating risk with a view to thwart challenges and maximise opportunities.***

- ♦ Dashboard view of our capitals
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### REASSURANCE OF PERFORMANCE WITH CONFORMANCE

***The commitment of our governance practices is rooted in driving performance, and our approach to responsible and transparent governance are reflected in the Director's report and annexures, including the Corporate Governance report. The company's financial statements are also presented herewith.***

- ♦ Our Board of Directors
- ♦ Directors' report
- ♦ Corporate governance report
- ♦ Auditor's report
- ♦ Financial statements



# POISED FOR IMPACT

Yash Pakka Limited is led by its purpose of making a difference for a better tomorrow. Guided by our vision and strategic framework, we want our actions to have a positive impact every day to help shape a more sustainable future.

Despite the challenges of the financial year 2021-22, we have emerged as a stronger and more resilient business, better prepared for fast-changing consumer demands and a rapidly-evolving business environment. As a multi-stakeholder organisation rooted in responsibility, we have responded with speed and agility to not only fulfill our stakeholder obligation, but also showed solidarity with the broader society through our inclusive community relief and citizenship programs. Above all, the year strengthened our commitment to ensure sustainable business stewardship and reinforced our resolve to demonstrate that our purpose-led, impact-driven business delivers sustainable performance today and well into the future.

We have collated a few messages from business leaders at Yash Pakka to inform our shareholders and stakeholders of how they are contributing to creating an impact within their domain, widening their circle of impact and focusing on delivering sustainable value.

# RIISING TOGETHER FOR IMPACT!



**IMPACT TO  
ME IS ALL  
ABOUT  
CHOICES  
AND MAKING  
THE RIGHT  
ONES!**

## **Dear shareholder,**

The last financial year was all about resilience. Even though market conditions were challenging due to the pandemic, the robustness of the brand helped CHUK not only survive the pandemic but also grow revenues by about 47% during the year. Apart from the business growth, the year also saw the strengthening of relationships with key customers and addition of a number of new customers, thus creating the conditions for a strong FY2022-23.

According to our forecasts and budgeting, the current fiscal year is expected to be a breakout growth year for CHUK. From about ₹28 cr revenue last year, CHUK is likely to achieve approx. 3x revenue in the current year. With the need to push CHUK into the fast lane, the focus will continue to be on topline expansion without compromising on profitability.

To meet the ever-increasing demand for CHUK products, we are launching a new capacity acquisition program via outsourcing. CHUK is working with multiple manufacturing partners around the country to develop a win-win





outsourced manufacturing model. Outsourced manufacturing works not only for our bagasse range, but also for the newly-planned ancillary products. Thus, a range of new products to complement and complete the full gamut of our offering is being developed, including delivery containers and delivery meal trays. Therefore in FY2022-23, we will see the launch of quite a few new products.

Our primary focus will continue to be on large key customers, predominantly the largest food service operators in the country. CHUK is working with a number of customers outside of India too. Furthermore, to activate global launch, as a first step, CHUK is looking to launch in the Middle East market towards the end of the current fiscal year.

Overall, FY2022-23 packs a lot of excitement for CHUK and we look forward to having you on the ride!

**Satish ChamyVelumani**

Business Head - Compostables

# TRANSFORMING TOGETHER FOR IMPACT!



**IMPACT TO ME  
IS ALL ABOUT  
MAKING A  
DIFFERENCE  
IN THE LIVES  
OF PEOPLE!**

## **Dear friend and well-wisher,**

I extend a warm welcome to you to our annual report for the financial year 2021-22. Since corporate responsibility is such an integral part of our business and creates the conditions for smooth and supportive business operations, we thought of updating you on how we are transforming together for impact. Just to note, all our CSR activities are executed through the Pakka Foundation.

The purpose of Pakka Foundation is to facilitate the transformation of communities around our factory location and the communities themselves. We believe that quality education, skills and our ecology are key to a self-reliance or atmanirbhar community.

I am happy to share that Pakka Skills has taken the first step towards becoming the “Center of Excellence” for the global compostable industry by introducing two courses specifically for the sector in partnership with the Central Paper & Pulp Research Institute and the Indian Institute of Production Management.

One hundred ninety-four students across 6 Krishna Niketan (pre-primary) schools in the communities around us completed the course and have attained quality education, which will help them



perform better in mainstream education. Most importantly, 60 children have been saved from getting into begging, rag-picking and child labour and pulled back into the education system through our two charity schools.

In the next five years, Pakka Foundation will scale its Krishna Niketan pre-primary school to cover all the 16 villages around our factory location in Ayodhya to support early childhood development in the communities so that they become creative and curious problem-solvers and fearless when they grow up as individuals.

Considering the early success, we are now committing ourselves to start transforming Pakka Skills by improving infrastructure, global partnerships and launching two new courses for the compostable packaging industry. We are also looking forward to continuing to support education programs for pre-primary and primary sections, while also initiating the Youth Development Program, Sarathi. Sarathi is focused on facilitating professional journeys of youth between the age group of 14-24 years and our forthcoming five-year plan is to support over 3,000 girls in their professional careers across 16 villages.

Pakka Skills is also taking small steps to be a leader in skilling for the global compostable packaging sector. Over the next five years, we aim to train 1,000 youth for the compostable packing industry and upskill existing talent to be relevant in a fast-paced technology environment.



As another important community responsibility, the Foundation also aims to rejuvenate 75 ponds in villages around the plant location in the next five years to recharge the water table and improve water quality for all domestic purposes.

Thus, Yash Pakka's environmental, social and governance (ESG) commitment goes beyond regulatory compliance as the company

continues to look into managing its social footprint in our journey of sustainable value creation.

**Wishing you a safe and healthy future.**

Kimberly Ann McArthur,  
Chairperson CSR Committee

# PROGRESSING TOGETHER FOR IMPACT!



**IMPACT TO ME  
IS ALL ABOUT  
CREATING AND  
SUSTAINING  
SHAREHOLDER  
VALUE!**

## **Dear shareholder,**

Sustainable financial management and superintendence is a key responsibility of mine and I am committed to stewarding the financial objectives of the company, which is to create a robust financial structure that would work as a backbone for sound business growth and support our business ambitions.

The accounting year under review was an important one for Yash Pakka, as we focused on securing both revenue expansion as well as profitability transformation. I'm happy to note that while our revenue from operations expanded by 59% to ₹291 cr in 2021-22, our profitability jumped by a sharp 128% to ₹38.20 cr. This performance reinforced our dividend-paying capacity, which has been announced at Rs. 2 per share for the year. Thus, in our commitment to create and share value with our shareowners and other stakeholders, we reiterate our pledge to progress together for impact.

On the balance sheet front, our financial strategy was structured around using cash generated from operations to reduce long-term debt. This was manifested in the company to ensure that the term loan of the paper business is being fully paid off. Furthermore, we also made investment in our US subsidiary, Pakka Inc.

Our philosophy around debt comprises using



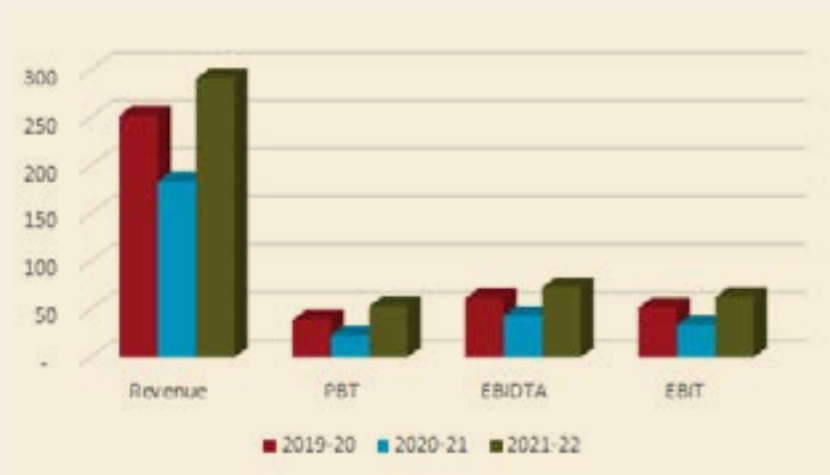
our credit capital judiciously and with full accountability. We worked towards a reduction in the cost of debt by exploring various lending instruments and working with our banking partners towards rationalisation of our cost of capital. This resulted in a reduction of our interest rate by 180 basis points in 2021-22 over the previous year.

Enthusied by strengthening our balance sheet during the year and our general financial strategies, we are preparing ourselves well for the current fiscal year. In view of the growth in the financial performance of your company, this year will be a year of creating a buffer for investing into the upcoming project and also making investment into subsidiaries to ensure the overall growth of the business. One of our other key objectives is to ensure alignment of our financial resources, both debt and equity, for the upcoming project. We are also seeking to ensure further improvement in our working capital ratios to ensure better liquidity and availability of sufficient cost-effective resources for business investment, thus creating a platform of progressing together for impact.

**Thank you for your interest in us.**

Jignesh Shah, Chief Financial Officer

### Revenue and profit growth (₹ cr)



### Value creation for stakeholders (₹)



# WORKING TOGETHER FOR IMPACT!



**IMPACT TO  
ME IS ALL  
ABOUT  
BONDING AND  
CREATING A  
HIGH ENERGY  
ENVIRONMENT!**

## Dear friend,

Despite the unprecedented disruptions that businesses have faced globally, we reported an impressive performance in 2021-22. We were able to achieve this performance by putting our team members at the heart of our efforts. While many companies undertook salary deductions, furloughs or outright retrenchment either on account of business compulsions or opportunistically, it was imperative for us to provide assurance to our team members, and we did so not only in terms of job security but also through other measures like medical support even to family members. We also did not hold back from providing salaries, bonuses and other statutory benefits. We did everything possible to secure and uphold the sanctity of the “social contract” that Yash Pakka has so painstakingly built with its team members over the decades.

Our people are a key part of our human capital, which is represented by the skills, diversity, passion, enthusiasm, ideas and experience of our team members. They are instrumental in driving our innovative strategies and long-term growth. We invest in the development and well-being of our people, which contributes to their productivity and performance enhancement that helps us achieve our goals and targets.



As part of our growing focus on talent acquisition, our HR development strategy is anchored on equipping people with a diverse set of skills that enables innovation and creativity and allows them to thrive today and into the future.

Our organisation works on certain values which helps us grow and excel both individually and collectively. These values include:

- ♦ Earth Love
- ♦ Trust
- ♦ Courage
- ♦ Excellence
- ♦ Diversity

Cultural diversity at our Company is closely linked to our cultural values and activities. Thus, we celebrate all religious and non-religious festivals with joy, happiness and togetherness. It also ties us through a common knot, even as we support one another like family. For our team, our core values are the true essence of our identity, principles, beliefs and working philosophy. It has been one of the pillars in building and shaping our culture. Our competition is with ourselves and we spend each day trying to better ourselves, establishing new benchmarks, setting new records and beating them handsomely. We also have a strong performance mechanism, which ensures that high performers are motivated to do better by directly impacting their annual bonus and appraisals.

During the year under review, we focused on key appointments with the result that we were able to bolster our core management team to take the business to its next level of growth. Successful senior hires also attest to our ability to attract key talent from diversified fields.

In a major achievement of the year 2021-22, the Company was certified as Great Place to Work®. The Institute's research shows that great workplaces are characterised by great leadership, consistent employee experience and sustainable human development practices, and we score on all the counts.

The year also saw the successful implementation of Team Stock Option Scheme (TSOP Plan), which was designed to benefit all team members who have

contributed to the growth of the organisation. The programme is designed such that each team member will benefit from a possible increase in the company's stock price, which is linked to performance. This will ensure that employee motivation remains high because their individual contribution will help the organisation to grow, which is linked to market perception and share price.

In summary, we at Yash Pakka are committed to promoting healthy and collaborative workplace practices that benefits all and leaves no one behind, aligning our employee practices with shareholder interests.

**Regards,**

Navina John, Head Admin



# ACHIEVING TOGETHER FOR IMPACT!



## Dear shareholder,

I have always held the belief that “Impact” means when a brand has become eponymous with a category. This is precisely what we’re trying to do at Yash Pakka and this is our long-term vision.

Towards achieving our long-range objectives, we are embracing a number of initiatives, including building a strong focus on customer-led communication strategy – both internal and external, focusing on lead generation with CHUK’s impactful presence in Aahar, the largest food service industry exhibition in Asia, and building strong inroads in digital e-commerce and quick commerce through becoming sustainability partners with Blinkit, which is focusing on disrupting the traditional logistics and delivery space.

Over the mid-term, we believe we will deliver impact through such initiatives that have been lined up, including building a strong brand team for each of the Pakka brands, ensuring impactful public relation activities while bringing the brands to the national forefront, and purposefully developing customer relations via our thinking of becoming more than just suppliers but sustainability partners.

In terms of brands, we want to create impact



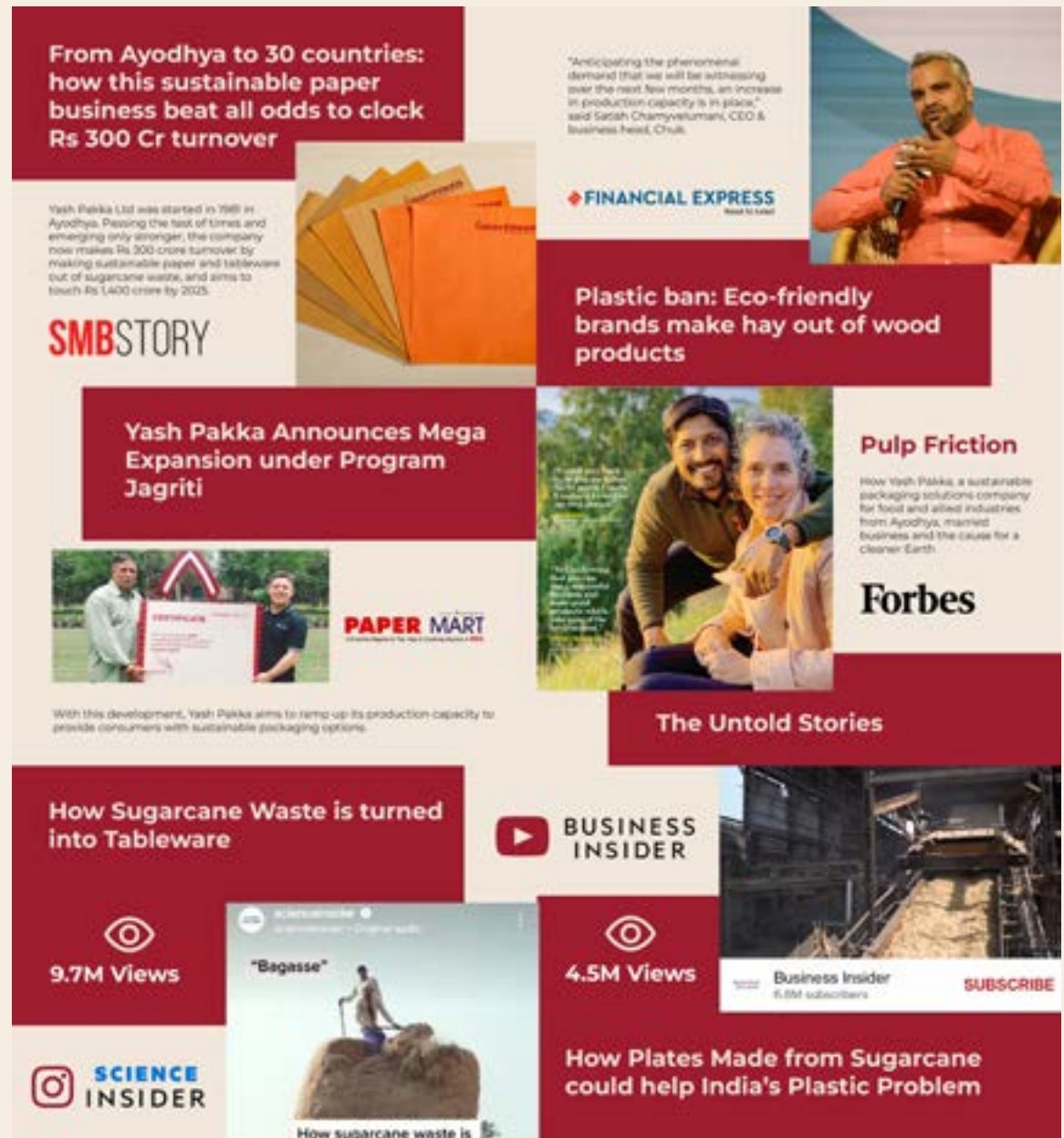
at scale. This is a position where we can capture the mindshare and have instant recall when the customer thinks about a particular category. Hence I am coming back to our aim of developing brands that are eponymous with the category. For example, when a customer thinks about compostable products, "CHUK" should instantly come to her mind; similarly when they think about regenerative packaging, "Yash Pakka" should instantly be recalled.

To this extent, we are working on all fronts in the marketing domain, including creating products that solve pressing customer problems. In addition, we are also adopting such initiatives as developing access points to expand our reach at a large scale, activating manufacturing and technological interventions to make products affordable with respect to competing materials, including plastic, and focusing our brand efforts on communicating the benefits of our products to our customers.

In summary, in strengthening our business, we will take everyone along the path of shared value creation, thereby achieving together for impact.

**Thank you.**

Pranay Pasricha, Brand Head



# OUR IMPACT

## FOR INVESTORS



Total revenue

**₹2,992 mn**



Operating profit

**₹719 mn**



EPS

**₹10.03**



ROA

**11.68%**



ROE

**22.79%**



Dividend declared for

**2021-22 20%**



Market capitalisation

**₹364 crore**



5-year revenue CAGR

**7.61%**



## FOR TEAM MEMBERS



The company provides employment to **3** people with special needs

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Training programs conducted  
**29**

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Training hours  
**1,179**

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Training participants  
**572** people

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Equal opportunity employer  
**Job opportunity for people with special needs**

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Responding to Covid-19  
**1300+**  
Covid-19 inoculation  
**Hybrid office in-premises and off-premises**

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## FOR CUSTOMERS



Export countries

**38**

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Dedicated dealer portal  
[www.portal.ypl.co.in](http://www.portal.ypl.co.in)

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Total customers

**700+**

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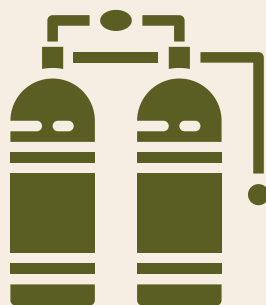
## FOR SOCIETY

Contributed

**₹35.64 cr**

to the National Exchequer

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**Donated oxygen  
generator machine  
worth ₹25 lakhs to  
government hospital  
during Covid**

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**FOR  
SOCIETY**



Looked after community health through **medical camps**, including blood donation, dental, general health check-up and respiratory check up

Engaged in **pond cleaning** activity



# ABOUT THIS REPORT



Hi,  
My name is Barkha and I'm Customer Relations Head at Yash Pakka. I build trust with our customers who are central in our vision and efforts to make an impact on the planet. With consciousness growing around ecological responsibility especially in the face of action for the climate, there is growing emphasis amongst our customers to lower their carbon footprint and burnish their green credentials. In this sense, I'm committed to introduce our customers to our wide range of regenerative and eco-friendly products and exceed their expectations through service excellence, while promoting adherence to company standards and guidelines, thus creating a win-win situation for all.

**- Barkha Srivastava**  
Customer Relations Head

## Report objectives

At Yash Pakka, through our 2021-22 Annual Report, we aim to share balanced and transparent information about our business operations, giving shareholders and other stakeholders insights into our operations to make informed assessments of our value creation plans and activities, our performance and our long-term prospects.

This report provides readers with material information and insights about our performance for the fiscal year from 1 April 2021 to 31 March 2022 (FY 2021-22). In terms of external factors, risks and opportunities, we take a longer-term view. This enables readers to effectively assess our value creation abilities, sustainability and prospects. The investor relations section on our website contains our annual reports, supplemented by additional information on governance and shareholding. **Please visit: <https://www.yashpakka.com/investors/>**

## Scope and boundary

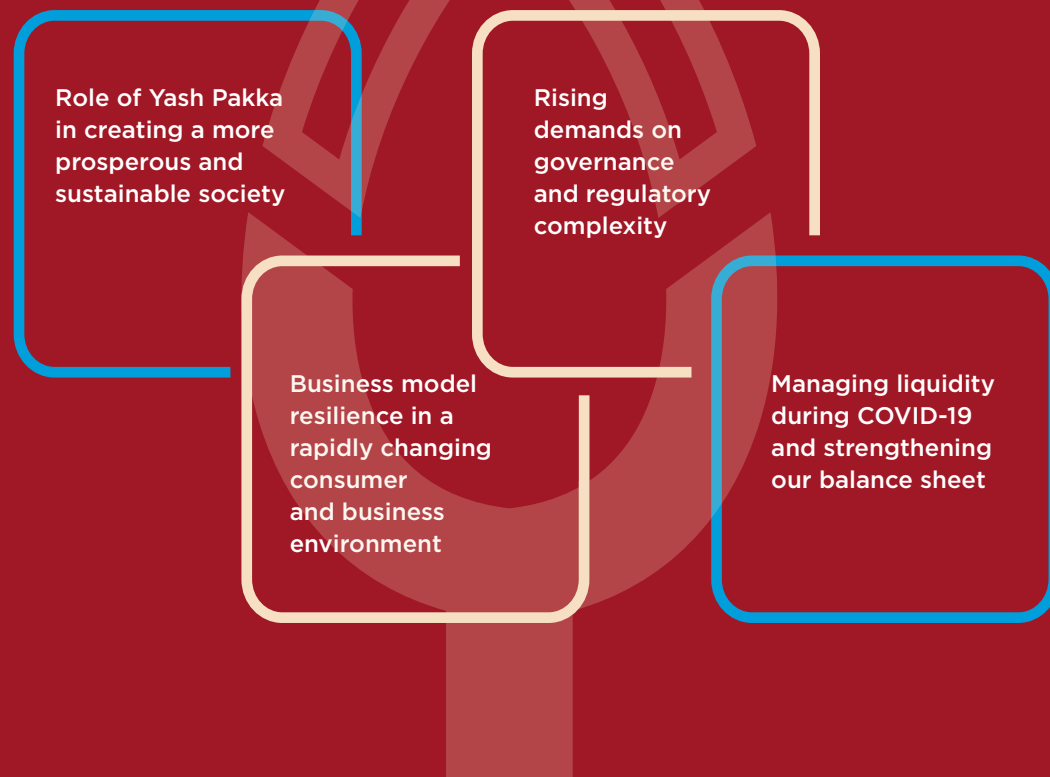
This report is guided by the reporting principles of the Integrated Reporting <IR> framework and other best practices and aims to share balanced and transparent information about our value creation activities. Through our integrated reporting process, we are committed to adding value for our stakeholders as it creates better visibility



and allows an informed assessment of our operations and other activities. In terms of reporting boundaries, we have factored in all business operations of the company. The report's scope examines both internal and external impacts on the business as well as trends, opportunities and risks that could influence the company's value creation abilities over time.

## Materiality

Our key material matters are expressed below.



## Assurance

The Board has applied its collective mind to present Yash Pakka's annual report and acknowledges its responsibility to ensure the integrity of this report through good governance practices and sound internal reporting procedures.

## Feedback and comments

We welcome your feedback on this annual report. **Please email us at [finance@yashpakka.com](mailto:finance@yashpakka.com)**

## Forward-looking statements

This Annual Report contains certain forward-looking statements with the use of words or phrases such as 'might', 'forecast', 'anticipate', 'project', 'may', 'believe', 'predict', 'expect', 'continue', 'will', 'estimate', 'target' and other similar expressions with respect to the financial conditions, results, operations and business of Yash Pakka Limited. These statements and forecasts involve risk and uncertainty because they relate to forecast information, such as improvements in business performance or mention certain decisions that we may undertake and occur in the future. These statements do not guarantee future operating, financial or other results due to future risks and uncertainties and thus it is important to note that this annual report shall not be construed as a profit forecast nor shall the statements herein be interpreted as to be providing any guarantee that potential results mentioned in these forward-looking statements will be achieved.

# AT A GLANCE

## Yash Pakka is a major regenerative packaging materials company.

As part of the global bio-economy, Yash Pakka is a leading provider of renewable and regenerative products in packaging and paper. Sustainability and responsible business practices are deeply embedded in our strategy, and our low-carbon, fiber-based products are renewable and recyclable. They offer solutions to climate change and promote positive impacts on the environment, thus

enabling our customers to become more eco-friendly. We have a sharp and singular focus on the food market through utilising our inherent strengths in sugarcane pulping and utilisation of innovation to build superior quality offerings, thus enabling a shift towards sustainability at scale. We employ 450+ people and our shares are listed on the Bombay and National stock exchanges.

Revenue CAGR

**7.61%**

(FY18-FY22)

EBIDTA CAGR

**12.12%**

(FY18-FY22)

Net profit CAGR

**33.91%**

(FY18-FY22)

### Our vision

Contribute towards a cleaner planet through creating, producing and spreading regenerative packaging at scale.

### Our product applications

**Food packaging:** Compostable paper-based flexible materials

**Food carry:** Compostable mineral-based film pellets

**Food services:** Compostable molded pulp-based materials







## Our heritage

Yash Pakka was established in 1981 by visionary technocrat Mr. K.K. Jhunjhunwala for manufacturing low grammage kraft paper with an initial installed capacity of 1,940 MTPA.

## Our business

Our manufacturing facility is located in Ayodhya, Uttar Pradesh, a prominent sugarcane belt. Our integrated operations comprise:

- ♦ 130-TPD pulp mill that produces both bleached and unbleached pulp grades
- ♦ 3 paper machines of combined 39,100 MTPA capacity
- ♦ 2 power plants that include extraction-cum-condensing turbines and rice husk-based FBC boilers
- ♦ 145-MT chemical recovery plant
- ♦ 14-TPD molded products capacity across 11 lines

## Our offering

Our products are universal and pervasive as they are used in everyday food and FMCG packaging. We manufacture:

- ♦ Low grammage MG industrial bleached and unbleached paper grades of between 30-80 GSM
- ♦ Specialised paper grades for wrapping, packaging, interleaving for food and pharmaceutical industries, etc.

## Our exports

Our paper is exported to 30+ countries, used primarily as coloured bag paper for fruit and vegetable packaging.

## CHUK

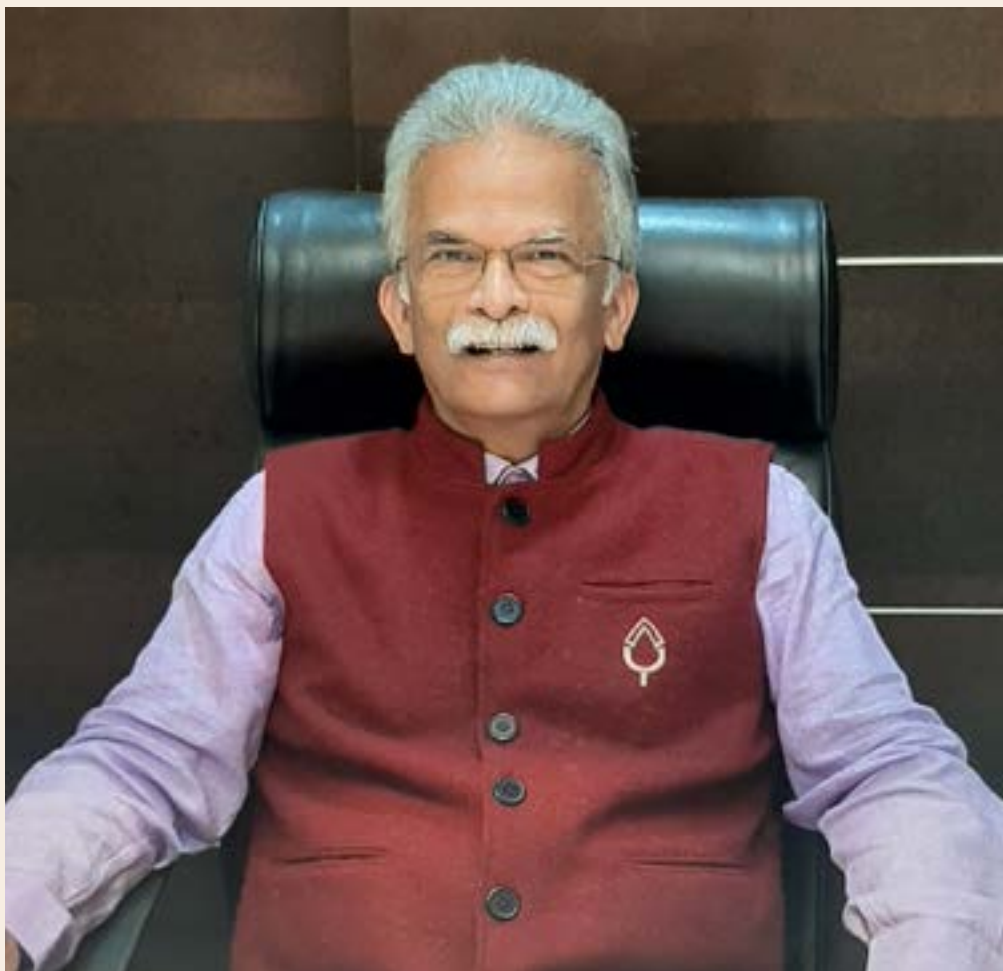
Molded products under the “CHUK” brand are manufactured from bagasse, a fibre suited to produce these lightweight products for ensuring ease of handling, flexibility for protection against damage, and structural integrity to prevent spillages. The products majorly serve the food industry and comprise compostable disposables for food carry and egg trays for food transportation and storage.

## Our customers

Starbucks, Pizza Hut, KFC, Café Coffee Day, McDonald's, Social, Flurys, Haldiram's, Chai Point, Blinkit, etc.



# THINK YASH PAKKA THINK IMPACT



## Chairman's statement

**Dear stakeholders,**

I take pleasure in addressing you through the pages of this annual report. I hope all of you are keeping safe and in good health

### **Proof of resilient business**

Looking at our performance in the accounting year 2021-22, Yash Pakka showed resolve, adaptability, agility and resilience. The company delivered satisfactory financial performance across its key business areas, overcoming macroeconomic turbulence and supply chain disturbances. The company's revenue from operations increased by 58.49% YoY and net profit expanded by 128.46% YoY. These are results to be proud of and a testimony of our continuous improvements and strategic progress.

Although uncertainties remain as new challenges continue to surface, including the Russia-Ukraine war, geopolitical issues such as tension between China and the US, the year carried many positives. Externally, India is much better placed to recover from the COVID shock and achieve high GDP growth rates which, together with the government's focus on Atmanirbhar Bharat, Make in India, PLI scheme, etc., bode well for the future of the industry.

Internally, we found new ways of working to deliver products and services at the same high standard and pace as before the pandemic. By investing in a deep culture of skilling, learning and enablement, we created a more

agile business with enhanced customer service excellence. An increased demand for eco-friendly products, the untiring efforts of our people, our resilient business model and strategic steer by the leadership together supported our strong performance. I believe our achievements in 2021-22 provide a stellar example of a company striving towards a common goal of sustainable growth at scale.

## **Sustainability is core to our strategy**

We are committed to having a positive climate impact and leave the world a better place. Thus, sustainability is an intrinsic part of our culture and through our unified and concerted efforts in sustainability as one team we are calling attention to the pressing need for change.

Sustainability is a key part of our business and value creation agenda as we focus on responsible, regenerative packaging through our products to create degrees of separation or competitive differentiation. We are working for CHUK to be synonymous with sustainable packaging. Though we have covered a long way, we still have a long way to go and I am confident that the kind of team, resources and plans we have we will achieve progress faster than ever.

A flexible natural fibre supply chain and accessibility is fundamental for our innovation agenda. Global megatrends with sustainability at the core call for fossil-free materials and new applications for innovative materials. Our customers are increasingly aware of the

advantage of products that are circular and climate-friendly. It is our job to continue to deliver solutions to meet those needs. At the same time, consumer behaviour is changing rapidly with growing e-commerce related to increased home deliveries of retail goods, groceries and take-away/carry of food. All this boosts market size and demand for sustainable packaging. Thus, we foresee strong growth potential for our products within packaging and bio-materials innovation.

## **Taking strategic action for long-term value creation**

Sustainable growth remains central to our enterprise and all our actions and efforts are in this direction. We are undertaking a number of initiatives and I'm outlining three in this regard.

One, we initiated Team Stock Option Scheme (TSOP Plan) to reward the hard work, commitment, dedication and loyalty of our people. They performed against the odds, especially in the face of COVID adversity and the right reward and compensation structure through TSOP is the right thing to do. Furthermore, TSOP will catalyse better performance, enable retention of our key human resources and help in attracting new talent into the business. Thus, we are aligning employee interest with shareholder interest via TSOP.

Two, we established a subsidiary company in the United States, Pakka Inc. The reasons are multifold, including access to cutting-edge global talent and exposure to a global environment and international trends

which will boost our innovation engine. Over the long-term, we plan to establish a manufacturing facility closer to the US, thus opening up new potentials and possibilities.

Three, we successfully closed the amalgamation between Yash Pakka Ltd and Yash Compostables Ltd, which will unlock synergy in terms of distribution, resources through common pool of critical talent and key services, and technology in terms of deep knowledge around pulp-based products.

As a company deeply rooted in India's soil, we celebrate the spirit of Azadi ka Amrit Mahotsav comprising 75 glorious years of India's Independence and pledge to work for the country and society, thus contributing to the priorities, goals and aspirations of the nation in our own humble way. In short, we are committed to growing a sustainable future together with all.

**Best wishes,**  
**Pradeep Dhobale**  
Chairman





## Insights from our Vice Chairman

**IMPACT TO ME IS  
TO SEE THINGS FROM  
A DIFFERENT  
PERSPECTIVE**

**Dear stakeholders,  
I am often asked what does  
“Impact” mean to me.**

Over my readings, travels and discussions with like-minded people, I have distilled this down to leaving the planet cleaner by converting all packaging into compostable or regenerative packaging. Considering the degradation of the planet and the massive scope to make a real difference, I feel we have a historic opportunity in our hand and me and my team are committed to seize this opportunity and create tangible value for people, planet, society and our shareholders and stakeholders.

We undertook rapid strides in the fiscal year 2021-22 towards our purpose and invested effort in creating the foundations that will help unlock the value of our vision for our shareowners. It gives me pleasure that we have declared a dividend of 20% amounting to Rs. 2 per share for 2021-22 and this is aligned to our plan of creating long-term value for those who have believed in our company through their investment in us.

Coming to the year under report, 2021-22, I can enumerate the top highlights that include building a stronger core team of specialists who bring a wealth of experience and insights to the table and is a signal of the kind of growth opportunities we see in the business. The other highlight was finalising the path ahead and going full steam towards our purpose and vision of ensuring impact of sustainability at scale, and the third was

initialising our international growth plans that include setting up a subsidiary company in the US that will create a platform for achieving breakthrough in innovation and research. With a print in the US, it will also give us access to global trends that could be monetised for long-term business opportunities. In this regard we are finalising our next factory location closer to the US and tying up investment.

In India, the team is focused on the effective execution of Project Jagriti in Ayodhya that will see our pulp, paper and molded products capacity increasing significantly over the future, and putting into place a robust outsourcing model that can help sustainably scale up our business under CHUK. We have finalised our partners for this endeavour and will keep a close surveillance on the way the model is working.

At Yash Pakka, we are focused on the domains of food carry, service and packaging and continue to work towards evolving strong solutions in all the three domains. The key for impact is scale and that will be the focus in the coming times. We will grow the Ayodhya unit to increase pulping capacity by 75% and enabling PM3 to provide more value-added products for flexible packaging. We will also add PM4 for food packaging and flexible film-based grades. Pulp drying would be added to enable transportation of pulp further for molded fibre production.

As informed earlier about our international strategy, we have begun to finalise our overseas expansion and will be closing in

on a site for a minimum 400 TPD bagasse pulp plant for producing similar products as manufactured in India. We are also investing towards building more collaborations through rolling out our GCAhub platform and building partnerships in the innovations domain for better bio-materials research.

We thus have significant targets for 2025 and the team is working tirelessly to materialise the goals and objectives.

In conclusion, I would like to mention that we made significant progress in 2021-22, bolstering our position for continued growth. This is reinforced by business resilience, a strong safety and people agenda and a proactive and flexible approach to customer collaboration. We are continuously evolving and as we do so, we have built the ability and raw material platform to make our business truly integral in the green revolution.

Circular products from natural resources are a part of the solution to combat climate change, a legacy that we will pass on to future generations. We are committed to it and I believe we are entering our new growth cycle.

We thank you for your belief in us and will do everything possible to enhance our investment thesis.

**Best regards,  
Ved Krishna**  
Vice Chairman

# POISED FOR IMPACT!



**W**hile the industry witnessed raw material input cost inflation to the tune of 10-20% and fuel cost increment of almost 10-15%, at Yash Pakka, we were able to achieve only a marginal variable cost increase vis-a-vis last year of around 3.5%. This is a credible achievement and exhibits our cost discipline and focus on efficiency and productivity.

- Jagdeep Hira

## Q. What is your reading of the year 2021-22?

FY2021-22 turned out to be a surprise for almost everyone in the manufacturing sector. The industry was just out of COVID post Q1FY2022 and suddenly faced the heat from inflated ocean freight, impacting input costs in terms of sharp increases, even as demand remained low. In the face of this challenge, team YPL once again rose to the occasion and has done tremendously well on efficiency improvements and cost reductions. This was the most satisfying part of the year and it has further added to my conviction that we can surmount any challenges that come our way.

## Q. Please provide a glimpse into the working for the year.

On the paper side, team efforts showed when we achieved significant improvement in quality, while also surpassing installed capacity. Maintaining quality at enhanced production is an achievement we should be proud of and we will continue to ensure consistency in these domains. As far as the molded business is concerned, overall equipment effectiveness (OEE) expanded by 15%, even as we collectively created targets to achieve new benchmarks in the future. Our molded division is a relatively new segment, and the idea is to not focus on what the industry has been about, but what is possible. We are having a disruptive view and our efforts are directed towards unlocking value through innovation.

## Q&A With Our Managing Director – Pulp And Paper



**Q. In the face of inflation and rising costs, how did the company respond?**

While the industry witnessed raw material input cost inflation to the tune of 10-20% and fuel cost increment of almost 10-15%, at Yash Pakka, we were able to achieve only a marginal variable cost increase vis-a-vis last year of around 3.5%. This is a credible achievement and exhibits our cost discipline and focus on efficiency and productivity. With commodity prices coming down via action of central banks, we believe we will sit favourably in this regard and will continue to focus on cost reductions wherever feasible.

**Q. There is significant global discussion around climate and sustainability. How are we aligning in this regard?**

We are a sustainable packaging company with a focus on generating impact at scale. We believe all our products should have a positive impact on the environment and leave the planet a better place for future generations.

Thus, there was tremendous focus last year on contribution towards the environment and sustainable practices by the team. We could achieve substantial reduction in water consumption, which reduced by almost 30%, made possible by us adopting new, innovative technologies. I believe this is just the beginning of a journey of continuous optimisation in water use.

The team also focused intensively towards reuse of process water and entered into partnership with a leading environmental

technological partner, PAQUES, for a bio-methanation plant which, in addition to having a positive impact on our water consumption, shall also further reduce cost of fuel, post-commissioning. On the energy front, there has been a tremendous effort in further reducing our carbon footprint through reducing fuel consumption, which declined by over 12% in 2021-22.

In another important development, we entered into a contract with one the largest pulp and paper consultancy, Sweden-based AFRY, for overall mill development along with forecasting for focused portfolio development for the future, aligned to the global scenario of changing customer demand and regulations.

Thus, all our efforts are a manifestation of our focus towards being a leading compostable product manufacturing company.

**Q. What is your expectation for the ongoing year?**

The current year is going to be challenging and yet exciting because it will test our response. Coming off a good year, I am positive. There has been huge cost increase on almost all fronts, with such other pressures as fuel scarcity. However, a silver lining is that the demand scenario is looking bright.

At Yash Pakka, we are focused on compostable products and all our efforts are in innovating new products. We got the tremendous opportunity to display our innovative product range at the largest global paper exhibition, Paperex, in 2022, especially

flexible packaging and bio-based pellets. The team is working hard in the commercialisation of these product during the current year.

We are also focused to serve our esteemed customers with upgraded quality products by making capex in new technologies. Thus, the focus always remains on holding the perspective of our customers and engaging in innovation to serve this purpose. On the expansion side, we are trying to stretch out to the fullest on our existing location in Ayodhya and are planning to invest for enhanced productivity and have partnered with AFRY to engage in basic site engineering.

We have a lot on our plate and the fructification of ongoing initiatives will help unlock value for our shareholders and stakeholders.

**Best regards,  
Jagdeep Hira**

Managing Director

# OUR INVESTMENT THESIS

Building our long-term investment case and driving shareholder value through our effective long-term plans.

Our pledge is to convert all packaging into compostable packaging that is good for everyone. This forms the core of our thinking and our strategy and is the foundation of our innovation agenda. Some of the key differentiation and competencies we have built in the business include the following: .



## Resilience drawn from a diversified business

Our diversified business portfolio creates resilience to changing market dynamics and fluctuations in demand, while enabling flexibility for an evolving business. Key megatrends such as urbanisation, e-commerce, changing lifestyles, rising planet consciousness, global warming and eco-awareness, all underpin our growth opportunities.



## Innovation for long-term growth

We see significant prospects to expand our total addressable market and we aim to grow our business sustainably in the future. What gives us the confidence here is that we achieved our highest quarterly revenues in Q1 FY2023, which makes us positive about how the rest of the year will pan out. By investing in innovation, we help our customers drive their business and burnish their sustainability credentials amongst their consumers. We foresee long-term accelerating demand for renewable, recyclable and regenerative products considering the key mega themes currently underway that will shape the future.



### **Sustainability powering our core**

We develop products based on natural renewable materials, such as sugarcane fibre. Sustainability is thus a natural part of our strategy and business philosophy. Our presence in Uttar Pradesh, which is the heart of the sugarcane belt in India, gives us access to competitive bagasse supply, which is the most important raw material, giving us tactical flexibility, synergies and value.



### **Solving customer challenges**

We grow our business by solving problems of our customers via offering them a wide array of unique, differentiated and consumer-led innovative products. Our development cycle is powered by identifying customer challenges and building sustainable and viable solutions around them



### **Performance culture**

Sound human resources management is a top priority at Yash Pakka. It is the strongest driver of our performance, productivity and culture. The decentralised operating model empowers our people to strengthen the execution of our strategy. Our divisions are agile with quick decision-making close to the market. Furthermore, we have built a strong core team that represents a critical talent pool to take our business to the next level.



# OUR SUPPLY CHAIN ACTIVITIES AND IMPACTS

As a leading flexible, sustainable packaging Company of India, our business operations have a multiplier effect on the economy – both via driving the customer’s business forward as well as through direct and indirect employment. The Company especially focuses on local employment and youth upskilling, both prioritised national focus areas. Further, we also distribute sizeable share of value to various stakeholders across our supply chain.

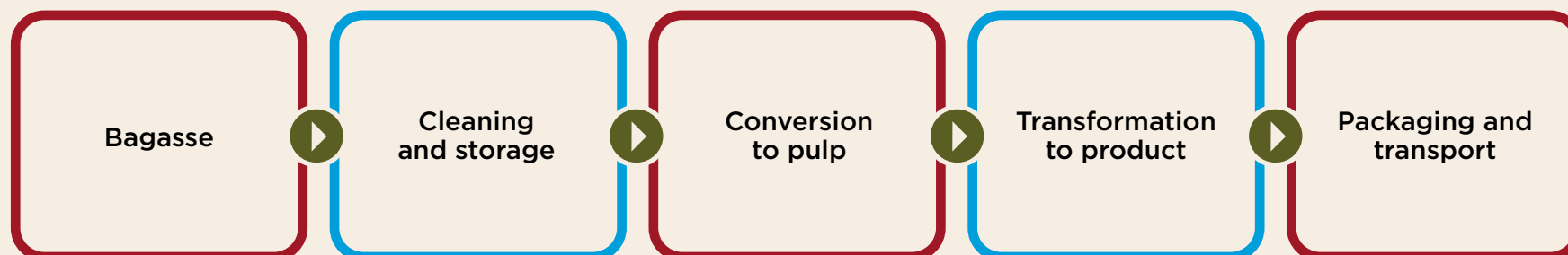
## Suppliers, capital goods manufacturers, inbound logistics

Our manufacturing activities have a substantial cross-linkage with industries involved in primary, secondary and tertiary economic activities, creating large scale

livelihood opportunities. In our focus on regenerative packaging and value-addition, the Company procures raw material competitively from the agriculture industry.

Our primary raw material comprises bagasse that is abundantly available around the vicinity of our plant in Ayodhya.

### Value chain activities

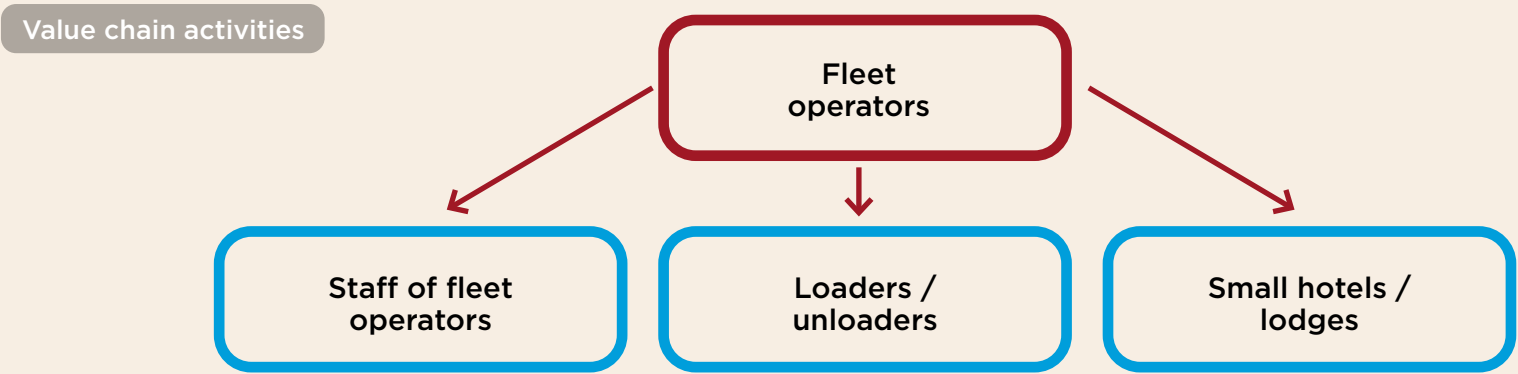


Logistics (distribution)

Transporters form a critical link in the value chain by providing inbound/outbound logistical services, raising demand for commercial transportation vehicles. Thus,

logistics generates employment for drivers and the ecosystem, small hotels and restaurants, transporters and their staff, loaders/unloaders, etc. Furthermore, this

activity also drives toll tax collection used for the development of highways and other infrastructure.

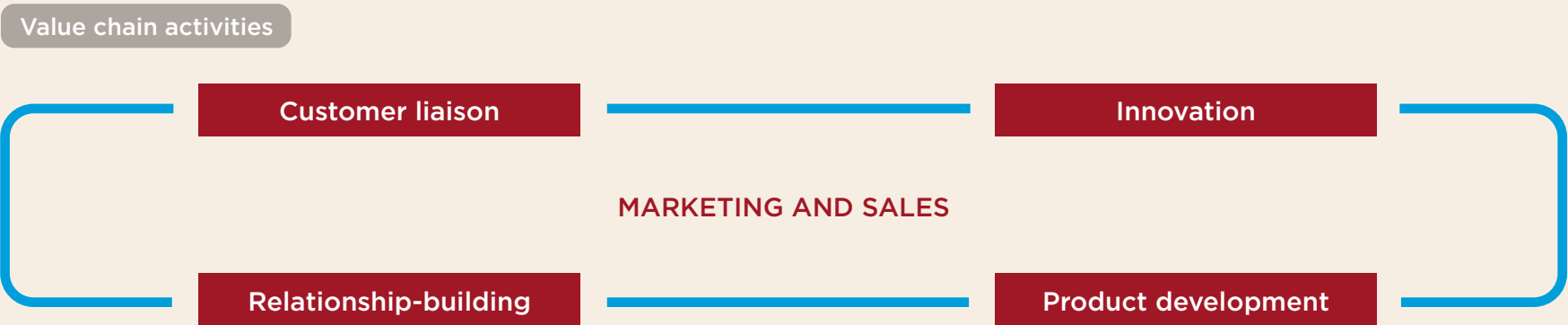


Marketing and sales

Due to the essential nature of our products used in the food, FMCG and packaging industries, our products meet the criteria laid down by our customers. Thus, our plants

and operations are subject to audits and ratifications by them, which ensures that our shop floor practices are consistently top-notch. Furthermore, we support our

customers in new product/packaging development, which reflects our own focus on innovation and being at the frontend of meeting new consumer demand.



# OUR ESG APPROACH

At Yash Pakka, our ESG (Environmental, Social, Governance) agenda reflects the role and responsibility we feel as a company to help solve many of society's challenges. It is a part of our business model and embedded in the products and development services we offer. As we continue to evolve our ESG priorities to address ever-changing realities around the world, we remain committed to sharing our progress as we believe transparency and accountability are key to success.







## Our Environmental focus

The climate crisis has created not just an opportunity to lead, but an opportunity to partner, working with our customers to burnish their sustainability credentials and playing a role in their decarbonisation journey. The science is clear, as is the need to move urgently toward a low-carbon economy. The paper and molded products sector has a critical role to play in eliminating negative environmental impacts in line with what is needed to keep global warming to 1.5°C.

Our sustainable progress strategy builds on our years-long track record in sustainability and environmental risk mitigation. To drive the transition to a low-carbon economy, we are drawing on our expertise, expanding our business unit capabilities and deepening our engagement with customers. We have also set up a subsidiary in the US to gain insights into global environmental and sustainability trends. We are also exploring the possibility to establish a manufacturing facility closer to the US to serve a demanding market and learn from global best practices.

## Our Social focus

Over the past two years, the COVID-19 pandemic reaffirmed the urgency to address the vast and growing inequities facing our global society, from access to basic human necessities to affordable housing and economic opportunity. Throughout 2021-22, YPL accelerated and expanded investments in village communities around its operations, helping to support a more inclusive recovery and more equitable future. We also continued to support pandemic relief and recovery efforts, making ourselves as useful participants of sustainable change.

We conduct our community and social outreach initiatives through Pakka Foundation and have a specific focus on strengthening foundations of the grassroots. Towards this extent, we have a deep focus on education and our efforts here are to ensure that students do not drop out and those in marginal occupations have the opportunity to come to school and study. We are also looking into civic beautification through rejuvenation of community/village ponds and are also using our civil engineering expertise to see how we could charge underground aquifers.



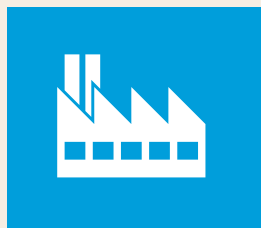
## Our Governance focus

Good governance is a fundamental principle at Yash Pakka and we work to ensure that we are at the leading edge of best practices. We strive to maintain the highest standards of ethical conduct, reporting with accuracy and transparency and complying with the laws, rules and regulations that govern our business.

Our governance structures, policies and processes serve team members, customers and community needs, promote a culture of accountability and ethical conduct across our firm, and support our commitment to address global challenges through our core business.

Our Board of Directors play an important role in providing oversight of our efforts to ensure responsible business practices. For example, the Nomination and Remuneration Committee reviews all compensation programs, including incentive compensation, so that they do not, among other things, encourage imprudent risk taking. Our leadership focuses on ethics, conduct and culture to reflect our commitment to promote a strong culture of ethical conduct. The Risk Management Committee also provides oversight of operational as well as climate risk.

# DASHBOARD VIEW OF OUR CAPITALS



## Manufactured Capital

The Company's integrated manufacturing operations utilise modern machinery and equipment to manufacture reliable high-quality value-added products. Further, our operations meet the audit and certification standards of our customers.

Key production metrics (MTPA)	2019-20	2020-21	2021-22
Paper production	37,903	28,267	39,139
Pulp production	6,998	3,791	8,872
Moulded products	1,059	1,195	1,630



## Financial Capital

The Company's focused growth strategy, along with disciplined capital allocation and fiscal execution, has led to favourable financial outcomes.



Key financial metrics (₹ in lakhs)	2019-20	2020-21	2021-22
Income from operations	25,238.68	18,365.09	29,108.63
EBIDTA	6,090.08	4,254.65	7,186.02
Net profit	2,761.83	1,672.11	3,820.02
Earnings / share (₹)	7.84	4.74	10.03
Book value / share (₹)	33.10	36.90	44.02
ROCE (%)	28.40%	18.01%	28.45%





## Human Capital

Our employees possess specialist skills and competencies that have been developed and sharpened over years of training. While we maintain a safe, congenial and collaborative work environment, we value loyalty, dedication and diversity and offer fair compensation standards.

Key human resource metrics (₹ in lakhs)	2019-20	2020-21	2021-22
Salary and other benefits	2,667.06	2,794.32	3,557.01
Revenue / employee	56.09	40.27	61.67
Total workforce (nos.)	450	456	472





### Social and Relationship Capital

We foster mutually-respectful and cordial relations with our workers and stakeholders, thus maintaining a beneficial environment for growth. We are focused on supporting village communities around our plant vicinity and we consider ourselves as a part of the society that must extend help to improve the quality of life and build a better future for all.

Key stakeholder metrics (₹ in lakhs)	2019-20	2020-21	2021-22
CSR spends	38.80	70	47





## Natural Capital

As a part of the manufacturing industry, we strive to eliminate the environmental impact of our business through the sustainable use of natural resources and responsible waste, water and emissions management.

Key responsibility metrics	2019-20	2020-21	2021-22
Waste recycling achieved (%)	40%	41%	44%
Water consumption per ton of production (m <sup>3</sup> /MT)	45.74	44.21	34.26
Energy consumption per ton of production (kWh/MT)	1,169	1,274	1,091

# CONTROLLING RISK

We strive to achieve a balance between realising value creation opportunities and mitigating adverse risks. Our risk-based approach is designed to protect our ability to create long-term value and achieve our goals and objectives.

At Yash Pakka, we are guided by our enterprise risk management (ERM) process that is linked to strategy formulation and execution in a systematic manner of addressing the top risks facing the company. The purpose of this process is to identify potential events that may substantially impact the company, and take commensurate initiatives to either protect from or capitalise upon the risk. Thus, we use our ERM to drive consistency and resilience in our risk methodology. The principal risks faced by the Company are mapped out below.

We have presented our risk management framework by outlining the key risks originating out of COVID-19. The coronavirus pandemic, an unprecedented event due its severity, scale and unpredictability, caused many disruptions and hence our risk efforts focused on smoothening the disorders by balancing the need to ensure operational sustenance with the prerequisite of adhering to all safety and health protocols and regulations. By learning quickly and sharpening our practices, we were able to strike a balance, which resulted in our continued ability to create value for our shareholders and all other stakeholders during the year.

Some of the key risks and their mitigation are described alongside.

## Risk / uncertainty

## Impact on capitals

### Credit risk

The risk of default in trade receivables due to the prevailing economic uncertainty.

- ♦ Financial
- ♦ Social and relationship

### Health and safety risk

Risk of possible threats to occupational health and safety.

- ♦ Social and relationship
- ♦ Human

### Cyber breaches and risks

Loss of operational and confidential data due to security breaches/ system breakdowns and disruption to operations due to breakdowns in IT systems.

- ♦ Intellectual
- ♦ Social and relationship
- ♦ Financial

### Reputational risk

Failure to manage social and environmental impacts can cost us our social license to operate and can create disruption to business.

- ♦ Intellectual
- ♦ Financial
- ♦ Social and relationship
- ♦ Human
- ♦ Natural



## Inherent risk

## Mitigation strategy

As of 31st March 2022, YPL had net trade receivable balance of ₹225.3 mn. Thus inherent credit risk is typically low

- ♦ Encouraging quicker cash conversion cycle
- ♦ Dedicated recovery team working closely with customers to recover due balances
- ♦ Fostering mutually beneficial relationships with longstanding customers through a partnership approach

Being a manufacturing-oriented organisation, the inherent risk for employee health and safety is high, accentuated by risk of COVID infection.

- ♦ Our certified health and safety management system ensure our employees are safe for many possible risk.
- ♦ We have adopted COVID-safe practices and focus on preventive healthcare
- ♦ We have mandated strong industrial safety controls that help our people keep safe and secure

Inherent risk is by default high due to high volume of data.

- ♦ Extensive controls and reviews to maintain efficiency of IT infrastructure and data
- ♦ Periodic technical vulnerability assessment on the network
- ♦ Regular backup of data and storage of data backup systems
- ♦ Constantly educating staff on importance of information security

Inherent risk of this nature is by default due to the large number of employees and operations.

- ♦ The code of business conduct ensures ethical employee behaviour
- ♦ Certified quality, environmental management systems and our social accountability management system ensure timely response to impacts
- ♦ Fostering mutually beneficial relationships with the community and business partners through frequent engagements

# OUR BOARD OF DIRECTORS



**Pradeep Vasant Dhobale**  
Chairman and Independent Director

Mr Pradeep Dhobale has been a very well-known figure in the paper industry for a long time. He spent most of his career with ITC, starting as a trainee and rising to the Board level. He headed the paper division of ITC and took the same to new heights. He is a continuous learner and post his retirement spends time mentoring various start-ups to groom them and enable budding entrepreneurs to get results. We are fortunate to have his insight and guidance on the Board.



**Ved Krishna**  
Non-Executive Vice Chairman (Promoter)

Our Vice-Chairman is our eternal optimist. Nothing seems to bring him down. We have faced numerous hurdles and his stewardship has helped us keep going. He has a keen strategic mind and is always in search of innovative ways for building the business. He has been with the organization for over 14 years and has grown the company over 4 times. We continue to have great plans for the future that are drawn with his guidance and he continuously enthuses the team to achieve more and more.



**Jagdeep Hira**  
Managing Director

Jagdeep has lived and breathed paper most of his working life. He has run all kinds of machines and developed numerous grades of paper. He has worked in different companies and environments and has also had great international exposure. He loves to build organisations, taking the team along with him. He is able to understand, grasp and resolve issues due to his deep involvement with the process.



**Manjula Jhunjhunwala**  
Director, Promoter

Ms. Jhunjhunwala is our Founder Director. As our Founder Mr. KK Jhunjhunwala always said 'the business is here because of her. She sold her jewellery to provide the seed capital to her husband to establish the business. Ms Jhunjhunwala is a revered educationist and philanthropist. She has built a great name in the field of early education through Jingle Bells Nursery Schools Society. Her passion is to build a better nation for the future generations and works tirelessly towards the same.



**Kimberly Ann McArthur**  
**Director, Promoters' Group**

Kim is the international perspective on the Board. Kim is passionate about life. She earned a Master's in Communication and built her company Freerange Studios in the USA from a start-up to a well-known design firm that works on social causes. Kim knows how to communicate. She has a brain that can look at issues and guide as they need to be handled. From experience in running her own business for ten years, she gained business strategic experience combined with her great acumen for aesthetics and design. She also has a deep commitment to Yash Pakka' CSR efforts.



**Basant Kumar Khaitan**  
**Independent Director**

Mr Khaitan is an entrepreneur. He is one of the key suppliers to the paper industry and has built a thriving corporation called Wires and Fabrics Limited. Mr Khaitan is one of the sharpest minds we know and brings value to each discussion. He has a keen sense for business and directs our focus towards customers and effective business practices. He has a knack for numbers and is able to find information within data inadvertently.



**Atul Kumar Gupta**  
**Independent Director**

Mr. Atul is one of the brightest minds we know. As an officer in the Indian Administrative Services he spent many years of his life providing the state with good governance and rose to become the Chief Secretary of the largest state in the country. He left a legacy of being an impeccable officer and a gentleman. He now wishes to spend his time reading and writing books and we await the same. We are fortunate to have him mentor and guide our company.



**Dr. Indroneel Banerjee**  
**Independent Director**

Dr. Indroneel is the voice of empathy on the Board. His father was one of the founder directors in the company and he has very ably taken up the mantle. Dr. Indroneel has a keen brain that provides us with a different perspective and guides us to be better people. He is a practicing homeopath and loves to help people as much as he can. He remains a guiding force behind all our efforts in organisation building.



# YASH PAKKA LIMITED

Regd. Office: 2nd Floor, 24/57, Birhana Road, Kanpur – 208001, Uttar Pradesh

Corp. Office: Yash Nagar, Ayodhya – 224 135, Uttar Pradesh

CIN – L24231UP1981PLC005294 | T: +91 5278 258174

E: connect@yashpakka.com | Website: <https://www.yashpakka.com>

## NOTICE

### NOTICE IS HEREBY GIVEN THAT THE FORTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF YASH PAKKA LIMITED

will be held through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) on Friday, the September 30, 2022 at 10:00 a.m. (IST) to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon and if thought fit, to pass, the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors’ and Auditors’ thereon laid before this meeting, be and are hereby considered, approved and adopted”.

2. To receive consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports

of the Auditors thereon and if thought fit, to pass, the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon laid before this meeting, be and are hereby considered, approved and adopted”.

3. To declare a final dividend of ₹2 per equity share for the year ended March 31, 2022 and if thought fit, to pass, the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** approval be and is hereby accorded for the payment of final dividend of ₹2/- (Rupees two only) per equity shares of the face value of Re. 10/- each for the financial year ended March 31, 2022 as recommended by the Board of Directors at their meeting held on May 28, 2022”.

4. To appoint a Director in place of Mr. Jagdeep Hira (DIN: 07639849), who retires by rotation and being eligible, offers his candidature for re-appointment and if thought fit, to pass, the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with Article of Association of the Company, Mr. Jagdeep Hira (DIN: 07639849), who retires by rotation and being eligible seeks re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation”.

5. To appoint CNK & Associates LLP, Chartered Accountants, Mumbai as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 42nd Annual General Meeting of the Company until the conclusion of the 47th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

To consider and, if thought fit, to pass the following Resolution(s) as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit Committee and the Board of Directors, CNK & Associates LLP, Chartered Accountants, Mumbai, [Firm Registration No. 101961W/W-100036], the appointment

of Statutory Auditors who have furnished the eligibility certificate under Section 141 of the Companies Act, 2013 be and is hereby confirmed as the Statutory Auditor of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in the calendar year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditors”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this resolution”.

#### NOTES:

1. In view of the ongoing COVID-19 pandemic and pursuant to General Circular No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, No.21/2021 dated December 14,

#### SPECIAL BUSINESS:

6. Re-Appointment of Mr. Basant Kumar Khaitan (DIN: 00117129) as an Independent Director for 2nd term.

To consider and, if thought fit, to pass the following Resolution(s) as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and recommendation of Nomination and Remuneration Committee Meeting, the re-appointment of Mr. Basant Kumar Khaitan (DIN: 00117129), for a second term as an Independent Director of the

Company, not liable to retire by rotation, for a period of 5 consecutive years from May 19, 2023 to May 18, 2028, be and is hereby approved”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this resolution”.

By **Order of the Board of Directors,**  
for **Yash Pakka Limited**



**Sachin Kumar Srivastava**

Company Secretary & Legal Head  
FCS No.: 11111

Ayodhya, August 10, 2022

2021 and No.02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’) and Circular of SEBI dated 12th May, 2020 (“SEBI Circular”) and other applicable circulars issued by the SEBI and MCA in this regard, the Company is convening the 42nd AGM through Video Conferencing

(‘VC’) or Other Auditor-Visual Means (‘OAVM’), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at 2nd Floor, 24/57, Birhana Road, Kanpur – 208001, Uttar Pradesh, India, which shall be the deemed venue of the AGM.

2. As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020, the matters of the Special Business as appearing at Item No.6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.

3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in regard to the business as set out Item No.6 above and the relevant details of the Directors seeking re-appointment /appointment as set out in Item Nos.4 and 6 above as required under Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto.

**4. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE,**

**THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at amitguptacs@gmail.com with a copy marked to evoting@nsdl.co.in and cs@yashpakka.com.

6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

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

8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's (NSDL) e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served

basis as per the MCA Circulars. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of Directors, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on first come first served basis.

9. In terms of the MCA Circulars and the SEBI Circulars, the Company is sending this AGM Notice along with the Annual Report for FY22 in electronic form only to those Members whose email addresses are registered with the Company/ Depositories. The Company shall send the physical copy of the Annual Report for FY22 only to those Members who specifically request for the same at [cs@yashpakka.com](mailto:cs@yashpakka.com). The Notice convening the AGM and the Annual Report for FY22 have been uploaded on the website of the Company at [www.yashpakka.com](http://www.yashpakka.com) and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited (BSE) at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**10. The Record Date is Friday, September 23, 2022 for the purpose of payment of dividend and AGM for FY22.** If the dividend, as recommended by the Board of



Directors, is approved at the AGM, payment of such dividend will be made, subject to deduction of tax at source (TDS), on or after October 2, 2022, as under:

- i. To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by NSDL and Central Depository Services (India) Limited (CDSL) (both collectively referred to as 'Depositories') as of the close of business hours on Friday, September 23, 2022;
- ii. To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, September 23, 2022.
11. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

**For resident shareholders,** taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN") 10% or as notified by the Government of India

Members not having PAN / valid	PAN 20% or as notified by the Government of India
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However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2022 does not exceed 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

**For non-resident shareholders,** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement

("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate for fiscal 2022 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

## 12. Updation of mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:

Shares held in physical form: Members holding shares in physical form are requested to send the following details/documents to the Company's Registrars and Transfer Agent (RTA), viz. Skyline Financial Services Private Limited (SFSPL), at D-153A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020, latest by Friday, September 23, 2022:

- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://www.yashpakka.com/wp-content/uploads/2022/06/Form-ISR-1-KYC-details-updation.pdf> and on the website of the RTA at <https://www.skylinerta.com/profile-updation.php>.
- b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
  - i) Cancelled cheque in original;
  - ii) Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and

type as on the cheque leaf and full address of the bank branch.

- c) Self-attested copy of the PAN Card of all the holders; and
- d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Further, Members are requested to refer to process detailed on <https://www.skylinerta.com/profile-updation.php> and proceed accordingly. Shares held in electronic form: Members holding shares in electronic form may please note that their Bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such Bank details. Accordingly, the Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by Friday, September, 23, 2022.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. For Members who are unable to receive the

dividend directly in their Bank account through Electronic Clearing Service or any other means, due to nonregistration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/Bankers' Cheque/Demand Draft through postal or courier services and in case of any disruption of postal or courier services due to prevalence of COVID-19 in containment zones, upon normalisation of such services.

13. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at <https://www.yashpakka.com/wp-content/uploads/2022/06/Form-ISR-1-KYC-details-updation.pdf>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz, issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate;

Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://www.yashpakka.com/wp-content/uploads/2022/06/Form-ISR-4-Request-for-issue-of-Duplicate-Certificate-and-other-Service-Requests.pdf> and on the website of the Company's RTA at <https://www.skylinerta.com/>. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the Bank

and branch details, Bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.yashpakka.com/wp-content/uploads/2022/06/Form-SH-13-Nomination.pdf> (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
18. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the

Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

19. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in e-Form/web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to Report on Corporate Governance, which is a part of this Annual Report. The unclaimed/unencashed dividends for the following financial years shall be transferred by the Company to the Investor Education and Protection Fund (IEPF), on the dates specified against the year:



i.	March 31, 2019	-	October 21, 2026
ii.	March 31, 2020	-	November 1, 2027
iii.	March 31, 2021	-	October 31, 2028

20. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at [cs@yashpakka.com](mailto:cs@yashpakka.com).

21. Members who wish to inspect the relevant documents referred to in the Notice can send an email to [cs@yashpakka.com](mailto:cs@yashpakka.com) upto the date of the AGM.

22. This AGM Notice is being sent by email only to those eligible Members who have already registered their email address with the Depositories/the DP/the Company's RTA/the Company or who will register their email address with Skyline Financial Services Private Limited, on or before 5 p.m. (IST) on Friday, September 23, 2022.

23. The recorded transcript of the forthcoming AGM, shall also be made available on the website of the Company i.e. [www.yashpakka.com](http://www.yashpakka.com) in the Investors' Section, as soon as possible after the meeting is over.

**24. Process for registration of email addresses to receive the Notice of AGM and the Integrated Annual Report for FY22 electronically and cast votes electronically:**

**(i) Registration of email addresses with Skyline Financial Services Private Limited:**

To facilitate Members to receive this Notice electronically and cast their votes electronically, the Company has made special arrangement with Skyline Financial Services Private Limited for registration of email addresses in terms of the MCA Circulars. Eligible Members who have not submitted their email address to Skyline Financial Services Private Limited, are required to provide their email address to the RTA, on or before 5 p.m. (IST) on Friday, September 2, 2022 pursuant to which, any Member may receive on the email address provided by the Member, Notice of the AGM along with the Integrated Annual Report for FY22. The process for registration of email address is as under:

**I. For Members who hold shares in Electronic form:**

- <https://www.skylinerta.com/profile-updation.php>
- Select the name of the Company from dropdown.
- Enter details in respective fields such as DP ID and Client ID, Name of the Member, PAN details, mobile number and email ID.
- System will send OTP on mobile number and email ID.
- Enter OTP received on mobile number and email ID and submit.

**II. For Members who hold shares in Physical form:**

a) <https://www.skylinerta.com/profile-updation.php>

b) Select the name of the Company from dropdown.

c) Enter details in respective fields such as Folio no. and Certificate no., Name of the Member, PAN details, mobile number and email ID.

d) System will send OTP on mobile number and email ID.

e) Enter OTP received on mobile number and email ID and submit.

After successful submission of the email address, NSDL will email a copy of the Integrated Annual Report for FY22 along with the remote e-Voting user ID and password on the email address registered by the Member. In case of any queries, Members may write to [cs@yashpakka.com](mailto:cs@yashpakka.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

(ii) Registration of email address permanently with Company/DP:

Members are requested to register their email address with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at [cs@yashpakka.com](mailto:cs@yashpakka.com).

(iii) Alternatively, those Members who have not registered their email addresses are required to send an email request

to evoting@nsdl.co.in along with the following documents for procuring user ID and password for e-Voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of Member, scanned copy of the share certificate (front and back), self-attested scanned copy each of PAN card and Aadhaar card.
- In case shares are held in electronic mode, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy each of PAN card and Aadhaar card.
- If you are an individual Member holding securities in electronic mode, you are requested to refer to the login method explained at para VI below under step 1 (A) i.e. Login method for remote e-Voting and joining virtual meeting for Individual shareholders/ Members holding securities in electronic mode.

25. For permanent registration of their email address, Members are requested to register their email address, in respect of electronic holdings, with their concerned DPs and in respect of physical holdings, with the RTA.

26. Those Members who have already

registered their email addresses are requested to keep their email addresses validated with their DP/SFSPL to enable serving of notices/documents/Annual Reports and other communications electronically to their email address in future.

27. Process and manner for Members opting for e-Voting is as under:

I. In compliance with the provisions of Section 108, and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it/they have been passed at the AGM.

II. Members are provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

III. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.

IV. Members of the Company, holding shares either in physical form or electronic form, as on the cut-off date of Friday, September 23, 2022, may cast their vote by remote e-Voting. The remote e-Voting period commences on Tuesday, September 27, 2022 at 9 a.m. (IST) and ends on Thursday, September 29, 2022 at 5 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

V. The instructions for Members attending the AGM through VC/OAVM are as under:

A. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned below for 'Log-in to NSDL e-Voting system'. The link for VC/OAVM will be available in 'Member login' where

the EVEN of the Company will be displayed. After successful login, the Members will be able to see the link of 'VC/OAVM link' placed under the tab 'Join Annual General Meeting' against the name of the Company. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman.

**B. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.**

C. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM,

from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address at cs@yashpakka.com before 5 p.m. (IST) on Tuesday, September 27, 2022. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

D. Members who would like to express their views/ ask questions as a Speaker at the AGM may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to cs@yashpakka.com between Friday 23, 2022 (9 a.m. IST) and Tuesday, September 27, 2022 (5 p.m. IST). Only those Members who have pre-registered themselves as Speakers will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

VI. The instructions for Members for remote e-Voting are, as under:

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

The way to vote electronically on NSDL

e-Voting system consists of 'Two Steps' which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**





##### **A) Log-in method for e-Voting and joining virtual meeting for Individual Shareholders/Members holding securities in demat mode**

In terms of the Circular issued by the Securities and Exchange Board of India dated 9th December 2020, on 'e-Voting facility provided by Listed Companies', e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Members are advised to update their mobile number and email ID with their DPs in order to access e-Voting facility.

Log-in method for Individual Members holding securities in Demat mode is given below:



Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	<p>i. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>ii. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>iv. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="596 1061 806 1187"> <p>NSDL Mobile App is available on</p> <p>  App Store            Google Play         </p> <div>   </div> </div>

Type of Members	Login Method
<b>Individual Members holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>i. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>ii. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>iii. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>iv. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ul>
<b>Individual Members (holding securities in demat mode) login through their depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

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

- ii) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

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

- iv) Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in

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

- v) Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
<b>a) For Members who hold shares in demat account with NSDL.</b>	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
<b>b) For Members who hold shares in demat account with CDSL.</b>	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
<b>c) Members holding shares in Physical Form.</b>	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 119696 then user ID is 119696001***

- vi) Your Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and

the system will force you to change your password.

- c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID

for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

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

- vii) If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:



- a) Click on **“Forgot User Details/ Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- viii) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- ix) Now, you will have to click on “Login” button.
- x) After you click on the “Login” button, Home page of e-Voting will open.
1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
  2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/ OAVM” link placed under “Join General Meeting”.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  5. Upon confirmation, the message “Vote cast successfully” will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

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

## **VII. The Instructions for Member for e-Voting during the proceedings of the AGM are as under:**

- A. The procedure for remote e-Voting during the AGM is same as the

instructions mentioned above for remote e-Voting since the Meeting is being held through VC/ OAVM.

- B. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- C. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- D. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager – NSDL or Mr. Amit Vishal, Senior Manager - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on : 1800 1020 990 and 1800 22 44 30.

## **General Guidelines for Members**

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

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.:1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager-NSDL or Mr. Amit Vishal, Senior Manager-NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

3. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).

VIII. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 23, 2022.

- IX. Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Friday, September 23, 2022 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/SFSPL.

However, if the person is already registered with NSDL for remote e-Voting, then the existing user ID and password of the said person can be used for casting vote. If the person forgot his/her password, the same can be reset by using 'Forgot user Details/ Password' or 'Physical user Reset Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

or by calling on toll free no. 1800 1020 990 and 1800 224 430. In case of Individual Members holding securities in Demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, September 23, 2022 may follow steps mentioned in the notes to Notice under 'Access to NSDL e-Voting system'.

- X. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.

- XI. The Board of Directors has appointed Mr. Amit Gupta (FCS 5478, CP 4682) of Amit Gupta & Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the 42nd AGM and remote e-Voting process, in a fair and transparent manner.

- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast

during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XIV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.yashpakka.com](http://www.yashpakka.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE Limited and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com).

By **Order of the Board of Directors,**  
for **Yash Pakka Limited**



**Sachin Kumar Srivastava**  
Company Secretary & Legal Head  
FCS No.: 11111

Ayodhya, August 10, 2022

## EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.6 of the accompanying Notice dated August 10, 2022:

### ITEM NO. 6

The Board of Directors in its meeting held on August 10, 2022, approved the re-appointment of Mr. Basant Kumar Khaitan (DIN: 00117129) as an Independent Director of the Company w.e.f. 19th May, 2023. The details of Mr. Basant Kumar Khaitan as required to be given pursuant to the Listing Regulations and the Secretarial Standards, are as under:

Based on an evaluation of the balance of skills, knowledge and experience on the Board and further, on the report of performance evaluation, the external business environment, business knowledge, skills, experience and the substantial contribution made by him during his tenure and considering that the continued association of Mr. Basant Kumar Khaitan as Independent Director of the Company would be beneficial to the Company, and based on the recommendation of the Nomination and Remuneration Committee, the Board, vide Resolution passed on 19th May, 2018, appointed Mr. Basant Kumar Khaitan as an Additional Director of the Company and subject to approval of the Members by way of Special Resolution at the ensuing forty second AGM of the Company, re-appointed him as a

Non-Executive Independent Director, not liable to retire by rotation, for a second consecutive term commencing from May 19, 2023 upto May 18, 2028, when he attains the retirement age of 75 years, as per the terms of the Governance Guidelines for Yash Pakka Limited on Board Effectiveness. Mr. Basant Kumar Khaitan shall also cease to be a Director of the Company with effect from close of business hours on May 18, 2028.

He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Mr. Basant Kumar Khaitan has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (Listing Regulations), (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

A brief profile of Mr. Basant Kumar Khaitan is given below:

Mr. Basant Kumar Khaitan is a noted Industrialist and a Bachelor of Commerce. He has wide and varied experience in manufacturing and marketing of Paper Machine Clothing used in the Paper industry and has excellent working knowledge of the industry in general. He is well known in the world of Paper machine clothing around the world. He is Director on the board of various Companies and member of their committees. He has built a thriving corporation called Wires and Fabrics Limited. Mr. Khaitan is one of the sharpest minds we know and brings value to each discussion. He has a keen sense for business and directs our focus towards customers and effective business practices. He has a knack for numbers and is able to find information within data inadvertently.

In the opinion of the Board, Mr. Basant Kumar Khaitan is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the management of the Company.

A copy of the draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to [cs@yashpakka.com](mailto:cs@yashpakka.com).

Mr. Basant Kumar Khaitan would be entitled to sitting fees for attending meetings of the



Board of Directors and Committees thereof where he is a Member.

In compliance with the provisions of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV to the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the reappointment of Mr. Basant Kumar Khaitan as Independent Director of the Company for a second term commencing with effect from May 19, 2023 upto May 18, 2028, is now being placed before the Members

for their approval by way of special resolution.

Other than Mr. Basant Kumar Khaitan, who is concerned or interested in the Resolution relating to his re-appointment, none of the Directors or KMP of the Company and their respective relatives are concerned or interested in the resolution set out at Item No.6 of the accompanying Notice.

Mr. Basant Kumar Khaitan is not related to any Director or KMP of the Company. The Board recommends the Resolution at Item No.6 of

the accompanying Notice for approval by the Members of the Company.

By **Order of the Board of Directors,**  
for **Yash Pakka Limited**



**Sachin Kumar Srivastava**

Company Secretary & Legal Head

FCS No.: 11111

Ayodhya, August 10, 2022

PURSUANT TO REGULATIONS 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CALUSE 1.2.5 OF THE SECRETARIAL STANDARDS - 2, THE DETAILS OF THE DIRECTOR PROPOSED TO BE RE-APPOINTED / APPOINTED AT THE ENSUING FORTY SECOND ANNUAL GENERAL MEETING ARE GIVEN BELOW:

Sr. No.	Particulars	Mr. Jagdeep Hira	Mr. Basant Kumar Khaitan
1.	Category / Designation	Managing Director	Independent Director
2.	Director Identification Number (DIN)	07639849	00117129
3.	Age	50 years	68 years
4.	Date of Birth	17-01-1972	08-02-1954
5.	Original Date of Appointment	22-10-2016	19-05-2018
6.	Qualifications	Bachelor of Engineering	Bachelor of Commerce
7.	Occupation	Service	Industrialist
8.	Directorship in other Companies*	-	1. Thacker and Company Limited 2. Pudumjee Paper Products Limited 3. Rajasthan Textile Industry Association 4. WMW Metal Fabrics Limited 5. W & F Fiscal Services Private Limited 6. W & F Mercantiles Private Limited 7. BVK Commercial Private Limited 8. BVK Mercantile Private Limited 9. BKM Trading Private Limited
9.	Chairmanship / Membership of Committees in other Companies*	NIL	1. Thacker and Company Limited 2. Pudumjee Paper Products Limited
10.	Number of Equity Shares held in the Company	NIL	NIL
11.	Number of Equity Shares held in the Company for any other person on a beneficial basis	NIL	NIL
12.	Relationship between Directors inter-se; with other Directors and Key Managerial Personnel of the Company	NIL	NIL

Sr. No.	Particulars	Mr. Jagdeep Hira	Mr. Basant Kumar Khaitan
13.	<b>Terms and conditions of appointment or re-appointment</b>	Appointed as Managing Director for 3 years on retire by rotational basis.	To be appointed as an Independent Director not liable to retire by rotation for 5 years with effect from 19th May, 2023
14.	<b>Remuneration last draw (in FY 2021-22), if applicable</b>	₹193.20 Lakhs	₹1.05 Lakhs
15.	<b>Remuneration proposed to be paid</b>	As per Special Resolution passed in the 40th AGM held on October 31, 2020.	Sitting Fees and Commission in accordance with the provisions of the Companies Act, 2013
16.	<b>Number of Meetings of the Board attended during the year</b>	5	4
17.	<b>Justification for choosing the appointees for appointment / re-appointment as Independent Director</b>	Considering his extensive knowledge and experiences and that would be in the best interest of the Company and will continue to provide relevant skill-set.	Considering his extensive knowledge and experiences and that would be in the best interest of the Company and will continue to provide relevant skill-set.
18.	<b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Mr. Jagdeep Hira has lived and breathed paper most of his working life. He has run all kinds of machines and developed numerous grades of papers. He has worked in different kind of companies and environments and has also had great international exposure. He loves to build organizations taking the team along with him. He is able to understand, grasp resolve issues due to his deep involvement with the process.	<ul style="list-style-type: none"> <li>Identifying business opportunities and deriving solution therefor;</li> <li>Strategic Business Planning and Implementation;</li> <li>Economic and Business Analysis;</li> <li>Excellent negotiation skills;</li> <li>Business Prudence;</li> <li>Expertise in analysis of Financial Statements</li> </ul>

By **Order of the Board of Directors,**  
for **Yash Pakka Limited**



**Sachin Kumar Srivastava**  
Company Secretary & Head Legal  
FCS No.: 11111

Ayodhya, August 10, 2022



# DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their 41st Annual Report and Audited Financial Statements for the year ended 31st March 2022.

## 1. Financial Results:

Particulars	(₹ In Lakhs)			
	Standalone		Consolidated	
	For the year ended	March	For the year ended	March
	31		31	
	2022	2021	2022	2021
I. Revenue from operations	29,108.63	18,365.09	29,108.63	-
II. Other income	813.25	1,132.87	813.25	-
<b>III. Total Income</b>	<b>29,921.88</b>	<b>19,497.96</b>	<b>29,921.88</b>	<b>-</b>
<b>IV. Expenses</b>				
Cost of materials consumed	11,746.92	7,009.69	11,746.92	-
Purchase of stock-in-trade	6.18	3.87	6.18	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(124.56)	157.37	(124.56)	-
Employee benefits expenses	3,557.01	2,794.32	3,736.38	-
Finance costs	936.26	1,094.53	939.62	-
Depreciation and amortization expenses	1,021.54	965.93	1,021.54	-
Other expenses	7,409.21	5,179.13	7,475.48	-
<b>Total Expenses (IV)</b>	<b>24,552.56</b>	<b>17,204.84</b>	<b>24,801.56</b>	<b>-</b>
<b>V. Profit before Tax (III - IV)</b>	<b>5,369.32</b>	<b>2,293.12</b>	<b>5,120.32</b>	<b>-</b>
<b>VI. Tax expense:</b>				
1. Current tax	980.00	411.50	980.00	-
2. Deferred tax	565.11	209.51	565.11	-
3. Tax adjustments relating to earlier years	4.19	-	4.19	-
<b>VII. Profit for the period (V - VI)</b>	<b>3,820.02</b>	<b>1,672.11</b>	<b>3,571.02</b>	
<b>VIII. Other comprehensive income</b>				
(i) Items that will not be reclassified to profit or loss Re-measurements of the defined benefit plans	(67.51)	31.91	(67.51)	-
(i) Income tax related to items that will not be reclassified to profit or loss	19.66	(9.29)	19.66	-
(i) Foreign Currency Transition Reserve	-	-	(0.71)	-
<b>Sub Total</b>	<b>(47.85)</b>	<b>22.62</b>	<b>(48.56)</b>	
<b>IX. Total comprehensive income for the period (VII - VIII)</b>	<b>3,772.17</b>	<b>1,694.73</b>	<b>3,522.46</b>	
<b>X. Earnings per equity share</b>				
1. Basic	10.03	4.74	9.38	-
2. Diluted	10.03	4.74	9.38	-

## 2. PERFORMANCE REVIEW

### 2.1 CONSOLIDATED

The Operative Revenue stood at ₹29,108.63 lakhs in FY22 on a consolidated basis. The Consolidated Profit after tax in FY22 was at ₹3,571.02 lakhs.

### 2.2 STANDALONE

The Operative Revenue stood at ₹29,108.63 lakhs in FY22 compared to ₹18,365.09 lakhs in FY21 on a standalone basis. There was increase of 58% in Operative Revenue in comparison to last financial year. The Standalone Profit after

tax in FY22 was at ₹3,820.02 lakhs compared to ₹1672.11 lakhs in FY21. There was increase of 128.46% in standalone profit after tax.

### 2.3 PRODUCTION AND SALES

Your Company has reported following production and sales :

Name of Products	Unit of Measurement	Productions		Sales	
		Current Year 31.03.2022	Previous Year 31.03.2021	Current Year 31.03.2022	Previous Year 31.03.2021
Kraft Paper	MT	22,824	17,246	22,332	17,381
Poster Paper	MT	16,315	11,021	16,183	11,486
<b>Total Paper</b>	<b>MT</b>	<b>39,139</b>	<b>28,267</b>	<b>38,515</b>	<b>28,867</b>
Pulp	MT	8,872	3,791	8,815	3,317
Moulded (Tableware) Products	MT	1,630	1,194.66	1,596	1,071.94
Pith Pallet	MT	6,639	4,806	4,934	3,676
Egg Tray	Pieces in Lakhs	117.08	95.00	117.37	95.45

### 2.4 ANNUAL PERFORMANCE

Details of your Company's annual performance is published on the Company's website and presented during the Investors Meet. The same can be accessed under the Investors Meet tab

in the Investor Section of the website of the Company: [www.yashpakka.com](http://www.yashpakka.com).

### 3. DIVIDEND

Based on the Company's performance, the

Directors have recommended a final dividend of 20% (₹2 per equity share) for the year ended March 31, 2022 subject to approval of the members at ensuing Annual General Meeting.

Particulars	(₹ In lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Final Dividend for the year ended Re. 2 per share (P.Y. Nil)	761.57	352.40
Total	761.57	352.40

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at the prescribed rates as prescribed under the Income-tax Act, 1961.

The dividend on equity shares, if approved by the members, would involve a cash outflow of ₹761.57/- lakhs.

#### 4. TRANSFER TO RESERVES

As per Standalone financials, the net movement in the reserves of the Company for FY22 and FY21 is as follows:-

Particulars	(₹ In lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Capital Reserve	37.32	37.32
Securities Premium	1,172.16	1,172.16
General Reserve	550.00	550.00
Retained Earnings	11,307.74	7,785.56
Other Comprehensive Income	(111.57)	(63.72)

#### 5. SUBSIDIARIES/JOINT VENTURES/ ASSOCIATES

We, along with our subsidiaries, provide manufacturing, consulting, technology, outsourcing and marketing services. At the beginning of the year, we had 1 direct subsidiary (wholly owned subsidiary) i.e., Pakka Inc, an USA based Company. The financial transactions of the said subsidiary during the year are included in the Consolidated financial statements of the Company.

During the year under review, 50,000 equity shares of US\$ 10 each have been allotted to the Company.

During the year, the Board of Directors reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013,

we have prepared the Consolidated financial statements of the Company, which form part of this Annual Report based on the financial statements certified by the Management of the subsidiary company. Further, a statement containing the salient features of the financial statements of our subsidiary in the prescribed format AOC-1 as per Section 129(2) of the Companies Act, 2013 (the Act) is appended as 'Annexure - I' to the Director's report. The statement also provides details of the performance and financial position of each of the subsidiary, along with the changes that occurred, during FY22.

Further, pursuant to the provisions of Section 136 of the Act, the audited financial statements including consolidated financial statements along with relevant documents of the Company

and management certified financial statements of the subsidiaries are available under tab of Annual Report of Investor Section on the website of the Company [www.yashpakka.com](http://www.yashpakka.com).

The policy for determining material subsidiaries of the Company has been provided in the following link under tab of Policy of Investor Section on the website of the Company [www.yashpakka.com](http://www.yashpakka.com).

#### 6. SHARE CAPITAL

The authorized share capital of the Company was ₹6,000 lakhs divided into 560 lakhs equity shares of ₹10 each and 4 lakhs preference share capital of ₹100 each as on March 31, 2022. However, the authorized share capital increased to ₹6,005 lakhs on account of merger of Yash Compostables Limited into the Company.

The paid up Equity Share Capital of the Company as on March 31, 2022 was ₹3,524 lakhs. The paid up Equity Share Capital of the Company was increased to ₹3807.85 lakhs on May 13, 2022 on account of merger of Yash Compostables Limited. The paid up Equity Share Capital of the Company is ₹3807.85 lakhs on August 10, 2022 i.e. the date of Directors' Report.

The Company has not issued shares with differential voting rights, employee stock options and sweat equity shares during the year under review.

The Company has paid Listing Fees for the financial year 2021-22 and 2022-23 to BSE Limited, where its equity shares are listed.

## 7. TSOP (ESOP) DISCLOSURE

Your Company has approved TSOP (ESOP) in the Board Meeting in the year 2019 i.e., 'Yash Team Stock Option Plan - 2019' and approved by the members of the Company in the 39th Annual General Meeting held on September 20, 2019 and further modification approved in the 40th Annual General Meeting held on October 31, 2020, which was not implemented.

The Members of the Company in their Extra Ordinary General Meeting held on May 6, 2022 approved the new scheme 'Yash Team Stock Option Plan - 2021' ('TSOP'/ 'Plan'), in supersession of earlier Special Resolution passed by the Members of the Company as aforesaid and authorised the Board (including Compensation Committee) to create, offer,

issue, reissue, grant, transfer and allot from time to time, and in one or more tranches, such number of Team (Employee) Stock Options (hereinafter referred to as "Options"), under the YASH TEAM STOCK OPTION PLAN - 2021 ('New TSOP') and to issue fresh options, re-issue options that may lapse/ get cancelled/ surrendered in future under the New TSOP, in complete supersession of any earlier team member (employee) stock option plan of the Company and to issue and allot such number of Equity Shares of the Company ₹10 (Rupees ten only) each not exceeding 20,00,000 (Twenty Lakhs) Equity Shares, representing in the aggregate 5.68 % (approx.) of the issued, paid-up and subscribed share capital of the Company (as on April 01, 2022) at such price or prices, and on such terms and conditions, as may be determined by the Board in accordance with the provisions of New TSOP and in due compliance with the SBEB Regulations and other applicable laws, rules and regulations, to or to the benefit of the eligible team members i.e. employees/ directors of the Company (i.e. Eligible Beneficiaries as defined in the 'New TSOP')

Thereafter, the Nomination and Remuneration Committee (Compensation Committee) of the Board of Directors of the Company ("NRC") in its meeting held on July 7, 2022 has granted 14,16,600 stock options of the Company to 361 number of the eligible Team members in terms of TSOP at an exercise price of ₹82.21 (Rupees Eighty-Two and Twenty-One paise Only) per Share.

The disclosure relating to ESOPs required to be made under the provisions of the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021 ("SBEB Regulations") is provided on the website of the Company www.yashpakka.com under Investor Section.

A certificate obtained from the Secretarial Auditors, confirming that the TSOP(ESOP) Schemes of the Company are in compliance with the SBEB Regulations and that the Company has complied with the provisions of the Companies Act, 2013 and the SBEB Regulations is also provided in 'Annexure - II' forming part of this Report.

## 8. HUMAN RESOURCE DEVELOPMENT

A key area of focus for your Company is to create a performance driven workforce while ensuring the health and well-being of employees and their families.

Many policies and benefits were implemented to maximize employee engagement and welfare. Your Company also continues to endeavour to create a work environment which is collaborative and learning and growth oriented to enable employees to perform at their full potential. Our Human Resource (HR) strategy adopts a multipronged approach covering all the key facets of employee development.

Learning as a stated value of the Company also sets the tone of your Company's aim to develop competencies to rise to new



challenges especially posed by ventures into new business areas.

## 9. CREDIT RATING

During FY22, the Company has given mandate for Credit Rating, however, the same is under evaluation till the date of report.

## 10. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

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

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

## 12. SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND YASH COMPOSTABLES LIMITED

The Board of Directors and Members of

the Company had approved a scheme of arrangement between (i) the Company, its shareholders and creditors, and (ii) Yash Compostables Limited (YCL) and its shareholders and creditors (the "Scheme"). The Scheme contemplates the merger by absorption of YCL by the Company. The Scheme had been approved by the Hon'ble National Company Law Tribunal, Allahabad Bench vide order dated April 18, 2022 and Stock Exchange had also given its final approval to the Company. YCL has been dissolved without winding up basis on terms and conditions as detailed in the Scheme.

Subsequent to the year under review, 28,38,500 Equity Shares of Face Value of ₹10/- each of Yash Pakka Limited has been allotted on 13.05.2022 to the Shareholders of Yash Compostables Limited (i.e. 56.77 (Fifty-Six point Seventy-Seven) Equity Shares of Face Value of ₹10/- each of Yash Pakka Limited to the Shareholders of Yash Compostables Limited for every 1 (One) Equity Share of Face Value of ₹10/- each held by the Shareholders of Yash Compostables Limited) pursuant to Clause 8.1 of the Scheme of Merger by Absorption as approved by the Hon'ble National Company Law Tribunal, Allahabad Bench vide order dated 18" April, 2022.

## 13. DEPOSITS

During the year under review, the Company has not accepted deposits from the public falling within the ambit of section 73 of the Companies Act, 2013 and the rules framed

thereunder, and the requisite returns have been filed. The Company does not have any unclaimed deposits as of date.

## 14. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such IFCs with reference to the Financial Statements are adequate. The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5)(e) of the Companies Act, 2013.

Your Company has appointed Mahajan & Aibra., Chartered Accountants, Mumbai as Internal Auditor of the Company. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance

to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

## 15. CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance forms part of this Annual Report.

## 16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with its Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code of Conduct cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil

Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors.

The Company has a Whistle Blower Policy to report genuine concerns or grievances & to provide adequate safeguards against victimization of persons who may use such mechanism. The Whistle Blower Policy has been posted on the website of the Company under Policy Tab of Investor Section on www.yashpakka.com.

## 17. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has revisited the Internal Complaints Committee members and emphasized on the roles and responsibilities

expected from the members. Posters and Banners were refreshed with the list of committee members and strengthened the awareness of zero tolerance through campaigns.

Opening as on 01.04.2021	Received during FY 2021-22	Redressed during FY 2021-22	Closing as on 31.03.2022
0	0	0	0

## 18. RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

## 19. SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## 20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As per the requirement of Section 186(4) of Companies Act, 2013, particulars of loans given, investments made, guarantees given or securities provided along with the purpose

for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements forming a part of the Annual Report. The Company is in compliance with the limits as prescribed under Section 186 of Companies Act, 2013 read with Rule 11 of the Companies (Meeting of Board and its Powers) Rules, 2014.

## 21. RELATED PARTY TRANSACTION

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the Policy on Materiality of Related Party Transactions and the same can be accessed under Policy Tab of Investor Section on [www.yashpakka.com](http://www.yashpakka.com).

During the year under review, all transactions entered into with related parties were approved by the Audit Committee of the Board. Certain transactions, which require the approval of the Board, were approved by the Board also. During the year, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The disclosures as required under Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in accordance with Ind AS 24 in the notes to Standalone Financial Statements.

## 22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors of the Company has adopted a Corporate Social Responsibility (CSR) Policy as available under Policy tab of Investors Section on the website [www.yashpakka.com](http://www.yashpakka.com) of the Company on the recommendation of CSR Committee and this policy has been amended from time to time to ensure its continued relevance and to align it with the amendments to applicable provisions of law. The Company undertakes CSR activities in accordance with the said Policy.

The Company undertakes majority of CSR through Pakka Foundation (Previously known as K. K. Charitable Foundation). Pakka Foundation works along with the Board and the CSR committee in order to identify and implement CSR initiatives of the Company. Key CSR initiatives of the Company focus on Women Education, Child Development, Water Conservation, Healthcare and Sanitation. During the year under review, the Company has spent ₹47 Lakhs for its CSR activities.

The disclosures required to be given under section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate

Social Responsibility Policy) Rules, 2014 are given in 'Annexure - III' forming part of this Directors' Report.

The Chief Financial Officer of the Company has certified that CSR funds so disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

## 23. AUDITORS' OBSERVATION:

### 23.1 STATUTORY AUDITOR REPORT

The Statutory Auditor of the Company has given unqualified report during the year under review.

### 23.2 SECRETARIAL AUDITOR REPORT

The Secretarial Auditor of the Company has given unqualified report during the year under review.

## 24. DIRECTORS:

### 24.1 CHANGES IN DIRECTORS

During the year under review, Mr. Ved Krishna, Executive Vice-Chairman (DIN: 00182260) was re-designated as Vice-Chairman (Non-Executive) w.e.f. July 1, 2021 in the Board Meeting held on June 30, 2021.

Further at the 41st Annual General Meeting of the Company held on September 30, 2021, the Members approved the re-appointment of Mrs. Manjula Jhunjhunwala (DIN: 00192901) who retired by rotation and being eligible for appointment has been reappointed as Non-Executive Director of the Company.

Further, Mr. Shrinivas Vishnubhatla (DIN: 07274232), Independent Director of the Company has resigned with effect from February 11, 2022 due to certain urgent personal pressing engagements.

Further, the Members of the Company at their Extra Ordinary General Meeting held on May 6, 2022, approved the re-appointment of Mr. Narendra Kumar Agarwal (DIN - 05281887) as Director (Works). However, Mr. Narendra Kumar Agarwal has resigned from directorship of the Company with effect from July 30, 2022 due to personal and unavoidable circumstances.

Further, the Members of the Company at their Extra Ordinary General meeting held on May 6, 2022 had also approved the reappointment of Mr. Pradeep Vasant Dhobale as an Independent Director for the second term of five years w.e.f. 25.09.2022.

Further, the Members of the Company at their Extra Ordinary General meeting held on May 6, 2022 had also approved the appointment of Mr. Ved Krishna as Vice Chairman (Non-Executive) of the Company.

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Jagdeep Hira (DIN: 07639849), Managing Director of the Company, retires by rotation is eligible for re-appointment. Members' approval is being sought at the ensuing AGM for his re-appointment.

The Board of Directors of the Company has recommended re-appointment of Mr. Basant

Kumar Khaitan (DIN: 00117129) for the 2nd term as an Independent Directors at the ensuing annual general meeting.

## **24.2 CHANGES IN KEY MANAGERIAL PERSONNEL**

There is no change in the Key Managerial Personnel during the year.

Mrs. Bhavna Kodarbhai Patel (Membership No.A31586), Company Secretary & Compliance Officer (KMP) of the Company has resigned from the post of Company Secretary & Compliance Officer with effect from 1st August, 2022.

Mr. Sachin Kumar Srivastava (Membership No.F11111), Legal Head of the Company has been appointed on the post of Company Secretary & Compliance Officer with effect from August 10, 2022.

## **25. DECALARATION OF INDEPENDENCE**

The Company has received Declarations of Independence as stipulated under section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from Independent Directors confirming that he/she is not disqualified from being appointed/re-appointed/ continue as an Independent Director as per the criteria laid down in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same are also displayed on the website of the Company www.

yashpakka.com under Investor Section.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA). In terms of section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors are exempted from undertaking the online proficiency self-assessment test conducted by IICA.

## **26.ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of Committees, effectiveness of Committee meetings, etc.



In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs. The Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The above criteria are broadly based on the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a subsequent Board meeting, the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## **27. POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES AND REMUNERATION POLICY FOR SENIOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the Nomination and Remuneration Committee is responsible for determining qualification, positive attributes and independence of a Director. The Nomination and Remuneration

Committee is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, KMP and other employees.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company under Policy Tab of Investor Section at [www.yashpakka.com](http://www.yashpakka.com).

## **28. DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls (IFCs) and compliance systems established and maintained by the Company, the work performed by the Statutory, Secretarial and Internal Auditors and external consultants, including the audit of IFCs over

financial reporting by the Statutory Auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee of Directors, the Board is of the opinion that the Company's IFCs were adequate and effective during FY22. Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to the material departure;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are

adequate and are operating effectively;

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

## 29. BOARD AND COMMITTEES OF THE BOARD

### 29.1 Board Meetings

5 Board Meetings were held during the year under review. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

### 29.2 Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report.

The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company

has adopted a Code of Conduct for its Non-Executive Directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. The same can be accessed in Policy Tab of Investor Section at www.yashpakka.com. All Senior Management personnel have affirmed compliance with the Code of Conduct of the Company. The Managing Director has also confirmed and certified the same. The certification is enclosed as 'Annexure - I' at the end of the Report on Corporate Governance.

## 30. AUDITORS

### 30.1 STATUTORY AUDITORS

Under Section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the shareholders. In line with the requirements of the Companies Act, 2013, Statutory Auditor M/s CNK & Associates LLP, Chartered Accountants (ICAI Firm Registration Number 101961W/W-100036) were appointed as Statutory Auditor of the Company at the 37th AGM held on September 2, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 42nd AGM to be held in the year 2022. The term of office of M/s CNK & Associates LLP, as Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

The Board of Directors of the Company, based on the recommendation of the audit

committee, at its meeting held on April 5, 2022, reappointed M/s CNK & Associates LLP, Chartered Accountants (ICAI Firm Registration Number 101961W/W-100036) as the Statutory Auditor of the Company to hold office for a second term of five consecutive years from the conclusion of the 42nd AGM till the conclusion of the 47th AGM to be held in the year 2027 and will be placed for the approval of the shareholders at the ensuing AGM.

During the year, the statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013, the Code of Ethics issued by the Institute of Chartered Accountants of India.

The Board recommends their reappointment to the shareholders. The notice convening the 42nd AGM to be held on 30th September, 2022 sets out the details

### 30.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Company has appointed Amit Gupta & Associates, Practicing Company Secretaries (C.P.No.4682) to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2022.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report is provided in 'Annexure - IV' to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

### 30.3 INTERNAL AUDITORS

The Board of Directors of the Company in its meeting held on July 31, 2021 has appointed Mahajan & Aibra, Chartered Accountants, Mumbai of the Company as Internal Auditor of the Company for conducting the Internal Audit for the financial year ended March 31, 2022.

### 30.4 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 not required to appoint cost auditors and maintain cost records.

### 31. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

### 32. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is a pioneer in propagating energy conservation and operational efficiency with the objective of providing substantial benefit to customers in the form of reduced emissions, pollutants and deliver cost effective and environment friendly energy solutions.

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 herewith as 'Annexure - V' and forms an integral part of this Report.

### 33. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at [www. https://www.yashpakka.com/investors](https://www.yashpakka.com/investors).

### 34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis, as required in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as

"Listing Regulations") is provided in a separate section and forms an integral part of this Annual Report.

### 35. PARTICULARS OF EMPLOYEES

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER 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 pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

- i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Directors / KMP	in ₹			
	Remuneration of the Director / KMP in F.Y.2021-22 (in ₹)	Remuneration of the Director / KMP in F.Y.2020-21 (in ₹)	% Increase in F.Y.2021-22	Ratio (times) of the remuneration of each director to the median remuneration of the employees
Mr. Ved Krishna, Vice-Chairman	48,10,960	1,19,41,868	-59.71%	12
Mr. Jagdeep Hira, Managing Director (KMP)	1,93,19,639	1,81,64,214	6.36%	50
Mr. Narendra Kumar Agrawal, Director Works	45,07,921	37,15,714	21.32%	12
Ms. Bhavna Patel, Company Secretary & Compliance Officer (KMP)	19,51,176	7,66,311	154.62%	5
Mr. Jignesh Shah, Chief Financial Officer (KMP)	62,33,695	41,89,452	48.79%	16

ii. The median remuneration of employees of the Company during the FY22 was ₹3,88,172/- in comparison to ₹3,12,173/- during the FY21.

iii. In the financial year, there was an increase of 24.35% in the median remuneration of employees;

iv. There were 472 permanent employees on the rolls of the Company during the FY22 in comparison to 456 permanent employees on the rolls of the Company during FY21.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in FY22 was 24.11 % whereas the decrease in the managerial remuneration for the same financial year was -5.04%. The figures of managerial

remuneration are not comparable to last year due to appointment/changes made in managerial person during the said period.

vi. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Schedule V of the Companies Act, 2013, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees; and

vii. It is hereby affirmed that the remuneration paid is as per the as per the Schedule V of the Companies Act, 2013, Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

viii. Except Mr. Jagdeep Hira, Managing Director of the Company, no other employee was employed throughout the financial year at an aggregate salary of ₹1,02,00,000/- per annum.

ix. Mr. Ved Krishna, Vice Chairman, No Employee was employed for a part of the financial year at an aggregate salary of ₹8,50,000/- per month.

**x. Details of Top Ten employees of the company as required under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended vide Notification dated 30th June, 2016 by Ministry of Corporate Affairs for the year ended March 31, 2022:**



Sl. No.	Name & Age	Qualification	Designation	Date of Joining	No. and % of equity shares held	Remuneration (In ₹)	Previous employment
1	Mr. Jagdeep Hira (50 Years, 6 Month)	Bachelor of Engineering Technology	Managing Director	10/10/2016	Nil	1,93,19,639	Trident Group Limited
2	Mr. Jignesh Vinodchandra Shah (51 Years, 6 Month)	Chartered Accountant	Chief Financial Officer	01/06/2020	Nil	62,33,695	Gerresheimer
3	Mr. Ved Krishna* (47 years, 1 Month)	B. A. (Hons.)	Vice Chairman	30/05/1999	1,38,44,388	48,10,960	-
4	Mr. Narendra Kumar Agrawal (51 Years, 3 Month)	Bachelor of Engineering	Director Works	15/12/2011	500 (0.00%)	45,07,921	Century Paper and Pulp
5	Mr. Manoj Kumar Maurya (48 Years, 1 month)	M.Com	Commercial Head	01/09/1998	Nil	30,29,906	-
6	Mr. Sushant Sinha* (46 years, 3 Month)	B. Tech, P.G. Diploma in Production & Materials Management	Mechanical Head	20/03/2017	Nil	26,63,087	Trident Group Limited
7	Mr. Neeraj Kamra (49 Years, 5 Month)	PGDM in Pulp & Paper	Production Head	25/02/2019	Nil	26,34,580	Shree Rishabh Paper
8	Ms. Navina John (43 Years, 3 Month)	Master in Human Resource Management	Admin & IR Head	17/05/2018	Nil	26,08,502	Muthoot Finance Ltd.
9	Sagar Shashank Shejwalkar* (36 Years)	Master in Green Technology	Innovation Head	01/08/2021	Nil	20,57,168	Meghdoot Packaging
10	Shailesh Singh (43 Years)	Master in International Business	Paper Sales Head	23/01/2017	Nil	19,50,417	-

\*Mr. Ved Krishna re-designated as Vice-Chairman (Non-Executive Director) w.e.f. July 1, 2022.

\* Mr. Sushant Sinha resigned from the Company w.e.f. March 21, 2022.

\*Mr. Sagar Shashank Shejwalkar resigned from the Company w.e.f. March 31, 2022.

- xi. No employee of the Company receiving remuneration part of the financial year in excess of the amount drawn by the Managing Director. No one was employed throughout the financial year or part thereof receiving remuneration in excess of the amount drawn by the Managing Director.

### **36. COMPANIES WHICH CEASED TO BE HOLDING, SUBSIDIARY OR ASSOCIATE COMPANY**

During the year under review, no company ceased to be holding, subsidiary or associate company of the Company.

### **37. INVESTOR EDUCATION AND PROTECTION FUND**

During the year, the Company was not required to transfer any amount and shares to Investor Education and Protection Fund ("IEPF").

### **38. CAUTIONARY STATEMENT**

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make

difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

### **39. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year alongwith their status as at the end of the financial year, as no such proceedings initiated or pending.
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, as there was no instance of onetime settlement with any Bank or Financial Institution.

### **40. ACKNOWLEDGEMENTS**

On behalf of the Directors of the Company, I would like to place on record our deep

appreciation to our shareholders, customers, business partners, vendors (both international and domestic), bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, communities in the neighbourhood of our operations, municipal authorities of Ayodhya, Uttar Pradesh and local authorities in areas where we are operational in India; as also partners, governments and stakeholders in international geographies where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

**For and on Behalf of the Board**



**Pradeep Vasant Dhobale**

Chairman

Hyderabad, August 10, 2022 DIN: 00274636

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

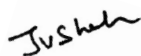
(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Pakka Inc, an USA based Company
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 USD = ₹75.81
4.	Share capital	₹3,79,05,000
5.	Reserves & surplus	₹-2,49,70,005
6.	Total assets	₹1,39,91,671
7.	Total Liabilities	₹1,39,91,671
8.	Investments	-
9.	Turnover	-
10.	Profit/(loss) before taxation	₹-2,49,70,005
11.	Provision for taxation	-
12.	Profit after taxation	₹-2,49,70,005
13.	Proposed Dividend	-
14.	% of shareholding	100%

For and on behalf of the Board



**Jagdeep Hira**  
Managing Director  
DIN: 07639849  
Place: Ayodhya  
Date: 28th May 2022



**Jignesh Shah**  
Chief Financial Officer  
Place: Ayodhya  
Date: 28th May 2022



**N K Agrawal**  
Director Works  
DIN: 05281887  
Place: Ayodhya  
Date: 28th May 2022



**Bhavna Patel**  
Company Secretary  
Place: Mumbai  
Date: 28th May 2022

**CERTIFICATE**

**[PURSUANT TO REGULATION 13 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA  
(SHARE BASES EMPLOYEE BENEFITS AND SWEAT EQUITY REGULATIONS, 2021 )**

**The Board of Directors,  
Yash Pakka Limited,  
(CIN -L24231UP1981PLC005294)  
2nd Floor, 24/57 Birhana Road,  
Kanpur, Uttar Pradesh - 208001**

Dear Sir(s)

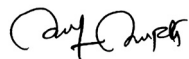
**Sub: Secretarial Auditor's Certificate for the Year ended March 31, 2022, in accordance with Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021.**

We have examined the records and documents maintained by Yash Pakka Limited ("the Company") and based on the information and explanations given to us and to the best of our knowledge and belief, We confirm that the following schemes of the Company for the year ended March 31, 2022 have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021, as amended and in accordance with the respective resolutions of the Company passed in the general meeting.

Sr. No.	Scheme	Details of Shareholders meeting regarding approval/amendment of the Scheme
1	YASH TEAM STOCK OPTION PLAN - 2021	May 06, 2022

This Certificate has been issued on the request of the management of the Company and is solely for the purposes as stated in Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021. This certificate should not be used for any other purposes.

**For Amit Gupta & Associates  
Company Secretaries**



**Amit Gupta  
Proprietor**

Membership No. : F5478

C. P. No. 4682

UDIN - L24231UP1981PLC005294

Place: Lucknow



## REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

The CSR projects of the Company are focused on communities that are disadvantaged, vulnerable and marginalized. The Company strives to contribute positively to improve their standard of living, through its interventions in Education, Skill development, Employment, health and sanitation.

The Company's CSR Policy as available on [www.yashpakka.com](http://www.yashpakka.com) under Policy tab of Investor Section framework details the mechanisms

for undertaking various programmes in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

The impact of COVID-19 pandemic continued to ravage communities impacting livelihoods, education and health and called for innovative approaches to address the ground realities.

Significant efforts were deployed towards Covid-19 relief besides continuing commitment

to existing projects. During the second wave of Covid-19, the focus of relief efforts was to address the acute oxygen shortage faced within the Country through timely supply of PSA oxygen plant within Ayodhya District, besides strengthening the health infrastructure, educational activities and providing free food services.

### 2. Composition of the CSR Committee

Sr. 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.	Mrs. Kimberly Ann McArthur	Chairperson (Promoters' Group, Non-Executive Director)	3	2
2.	Dr. Indroneel Banerjee	Vice-Chairperson (Independent Director)	3	3
3.	Mr. Ved Krishna	Member (Promoter Director)	3	3
4.	Mrs. Manjula Jhunjhunwala	Member (Promoter Director)	3	3

### 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

The Composition of the CSR Committee, CSR Policy Framework and CSR Projects approved by the Board are available in the Investor Section on the website [www.yashpakka.com](http://www.yashpakka.com) of the Company.

### 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).

The Company is conducting Baseline survey with impact assessment on CSR programs through an external agency.

### 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

Sr. No	Financial Year	Amount available for set-off from preceding financial years (₹ In lakhs)	Amount required to be set off for the financial year, if any (₹ In lakhs)
1	2020-21	12.34	12.34

**6. Average net profit of the Company as per Section 135(5): 2,939 Lakhs**

7. (a) Two percent of average net profit of the Company as per section 135(5): 58.78 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: 12.34 Lakhs

(d) Total CSR obligation for the financial year (7a+7b-7c): 46.44 Lakhs

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

The Company was required to spend an amount of ₹46.44 lakhs as CSR expenditure during FY2022.

Total Amount Spent for the Financial Year (₹ in Lakhs.)	Total Amount transferred to Unspent CSR Account as per		Amount Unspent		
	Amount		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
47	NIL	--	--	NIL	--

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

S I No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project duration (in years)	Amount allocated for the project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR registration number
Not Applicable												

**C. Details of CSR amount spent against other than ongoing projects for the financial year:**

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Woman Education and Water Conservation	(i) and (ii)	Yes	Uttar Pradesh	Ayodhya	47,00,000	No	Pakka Foundation (Earlier known as K. K. Charitable Foundation)	CSR00010697

**d. Amount spent in Administrative Overheads: NIL****e. Amount spent on Impact Assessment, if applicable: NIL****f. Total amount spent for the Financial Year (8b+8c+8d+8e): ₹47 Lakhs.****g. Excess amount for set off, if any: N.A.**

Sl. No.	Particulars	Amount (in ₹)
(i)	2% of average net profit of the company as per section 135(5)	₹58,78,000/-
	Amount available for set-off from preceding financial year 2020-21	₹12,34,000/-
	Amount required to be spent in the financial year 2021-22	₹46,44,000/-
(ii)	Total amount spent for the financial year	₹47,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	NIL

**9. (a) Details of unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
			Not Applicable				

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

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹).	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project - Completed / On-going
					Not Applicable			

**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)**

- a) Date of creation or acquisition of the capital asset(s) - NA
- b) Amount of CSR spent for creation or acquisition of capital asset - Nil
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA
- d) Provide details of the capital asset(s), created or acquired (including complete address and location of the capital asset). NA

**11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5) - Not Applicable**



**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May, 2022



**Kimberly Ann McArthur**

Chairperson CSR Committee

DIN: 05206436

Place: U.S.A

Date: 28th May, 2022



**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 Personnel) Rules, 2014]

To,  
The Members,  
**Yash Pakka Limited,**  
**(CIN -L24231UP1981PLC005294)**  
**2nd Floor, 24/57 Birhana Road,**  
**Kanpur, Uttar Pradesh - 208001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Yash Pakka Limited** (CIN - L24231UP1981PLC005294) (hereinafter referred as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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

- i. 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

- ii. 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 there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- 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 has not made any public offer of securities during the period under review;**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021[w.e.f. 13.08.2021];

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [w.e.f. 09.08.2021] - **Not applicable as the Company has not issued any listed debt securities during the period under review;**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [w.e.f. 10.06.2021] - **Not applicable as the Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review;**
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - **Not applicable as the Company has not bought**

**back/proposed to buyback any of its securities during the financial year under review.**

- vi. The following other laws on account of the nature of industry are specifically applicable to the Company:
  - (a) The Boilers Act, 1923;
  - (b) The Explosives Act, 1884;
  - (c) Acts and Rules prescribed under prevention and control of pollution;

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) Listing Agreement entered into by the Company with BSE Limited,

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

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes 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 convene 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 for meaningful participation at the meeting.

- Majority decisions are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** the systems and processes in the Company require further strengthening and improvements, considering the size and operations of the Company to enable better monitoring and ensuring of timely compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were following material event having bearing on the affairs of the Company:

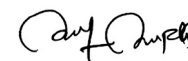
- (i) Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench vide its order dated 18.04.2022 (certified true copy issued on 20.04.2022) has approved a Scheme of Merger by Absorption of Yash Compostables Limited ("YCL" or the "Transferor Company") and Yash Pakka Limited ("YPL" or "Transferee Company") and their respective shareholders with appointed date of 01.04.2020, in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder;

(ii) The shareholders of the Company in their extra ordinary general meeting held on May 06, 2022 approved the new Scheme 'YASH TEAM STOCK OPTION PLAN - 2021' ('TSOP'/ 'Plan'), in supersession of earlier special resolution passed by the Shareholders of the Company in 39th Annual General Meeting held on 20th September, 2019 and further modification approved in the 40th meeting held on October 31, 2020. During the financial year 2022-23 the Company has granted 14,16,600 stock options of the Company to the eligible employees in terms of TSOP.

(iii) A case under the Environment (Protection) Act, 1986 before the Hon'ble National Green

Tribunal, Principal Bench, New Delhi vide O.A. No. 116/2014 titled as Meera Shukla V. Municipal Corporation, Gorakhpur continues pending and recovery certificate of ₹40.80 lacs as an Environmental Compensation issued by Uttar Pradesh Pollution Control Board in compliance of order dated 27.09.2019 passed by the Hon'ble National Green Tribunal, Principal Bench, New Delhi in aforesaid case, continues stayed in terms of order dated 14.01.2020 passed by the Hon'ble High Court of Judicature at Allahabad, Lucknow Bench, Lucknow in Case No. MISB 866 of 2020 titled as Yash Pakka Limited Vs. U. P. Pollution Control Board & Others.

**For Amit Gupta & Associates  
Company Secretaries**



**Amit Gupta**

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN - F005478D000778877

Date: August 10, 2022

Place: Lucknow

Note: This report should be read with the letter of even date by the Secretarial Auditors

To,  
The Members,  
**Yash Pakka Limited,**  
**(CIN -L24231UP1981PLC005294)**  
**2nd Floor, 24/57 Birhana Road,**  
**Kanpur, Uttar Pradesh - 208001**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Amit Gupta & Associates  
Company Secretaries**



**Amit Gupta**

Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN - F005478D000778877

Date: August 10, 2022

Place: Lucknow

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided hereunder:

### 1. CONSERVATION OF ENERGY

#### (A) ENERGY CONSERVATION MEASURES TAKEN

- I. Replacement of inefficient motors with IE-3 rated efficient motors.
- II. Automation of MPS feed pump through VFD by level control loop in pulp mill.
- III. Installation of FRP blade in PP-1.
- IV. Running Table-ware vacuum pumps in auto mode with average value of vacuum.
- V. Replacement of MP-heaters on wet end of Hood area in PM-3 hood area with new ones.
- VI. Replacement of old inefficient air-preheater in PM-1 with new one.
- VII. Double orifice steam traps to be installed in PM-2 hood area.
- VIII. Replacing 2 inefficient MP heaters in PM-1 hood area with serviced heater.

- IX. Replacement of 2 MP heaters on PM-3.
- X. Replacing 4 old inefficient MP heaters in PM-2 hood area with new heaters.
- XI. Vacuum leakages arrested and vacuum pump scale removed.
- XII. Installation of FRP blades in PP-2 CT fan

#### (B) ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY

- I. Tableware vacuum pumps replacement with energy efficient vacuum pumps.
- II. Tableware vacuum pump line modification.
- III. Installation of VFD on pulp mill caustic pump.
- IV. ETP sump pit pumps to be replaced with energy efficient pump.
- V. PM-3 vacuum pump replacement on felt with a single vacuum pump.
- VI. Micro turbine for Deaerator PRDS.
- VII. Installation of screw compressors with PM motors.

- VIII. Installation of VFD on PP2 and PP1 CT fans.
- IX. PP1 cooling water pumps replacement with energy efficient pump.
- X. Steam traps replacement in PM3 HMP heater.
- XI. Steams trap replacement in Recovery boiler air preheaters.
- XII. Installation of FRP blades on chemical recovery evaporator cooling tower fans.

#### (C) IMPACT OF THE MEASURES OF THE ABOVE

- I. Reduction of power from 1274 KW/MT to 1091 KW/MT of Paper.
- II. Reduction of steam from 12.00 MT/MT to 10.75 MT/MT of Paper.
- III. Reduction of power from 5821 KW/MT to 5542 KW/MT of Moulded (Tableware) Products.

#### (D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER PRESCRIBED FORM A OF THE ANNEXURES IN RESPECT OF THE INDUSTRIES SPECIFIED IN THE SCHEDULE THERETO.



**I. POWER AND FUEL CONSUMPTION**

Particulars	Current Year 31.03.2022	Previous Year 31.03.2021
<b>(a) Electricity</b>		
(i) Purchased Unit (lakhs)	Nil	Nil
Total Amount (₹ in lakhs)	Nil	Nil
Rate / Unit (₹)	Nil	Nil
(ii) Own generation	Nil	Nil
<b>Through Diesel Generator</b>		
Unit (lakhs)	1.37	4.25
Unit per liter of Diesel Oil	3.12	3.27
Cost / Unit (₹)	24.36	16.61
<b>Through Steam Turbine</b>		
Unit (lakhs)	613.88	474.29
Unit per MT of fuel (Paddy husk)	1197	1009*
Cost / Unit (₹)	2.42	2.64

Notes: \*Steam Turbine is extraction cum condensing type hence fuel allocation is on estimated basis.

Particulars	Current Year 31.03.2022	Previous Year 31.03.2021
<b>(a) Coal Quantity (MT)</b>	Nil	Nil
<b>(b) Furnace Oil Quantity (Kilo litre)</b>	Nil	Nil
(i) Paddy Husk Quantity (MT)	102280	83821
Total Cost (₹ in lakhs)	2961.45	2233.85
Average Rate (₹)	2895	2665
(ii) Baggase / Pith Quantity (MT)	30695	14353
Total Cost (₹ in lakhs)	475.24	138.09
Average Rate (₹)	1548.24	962.09

## II. CONSUMPTION PER UNIT OF PRODUCTION

### a. Paper (Including Egg Tray & Pith Pallets)

Particulars	UOM	Current Year 31.03.2022	Previous Year 31.03.2021
Electricity	Units	1091	1274
Furnace Oil	Litre	Nil	Nil
Coal	MT	Nil	Nil
Paddy Husk	MT	1.35*	1.35*
Baggase Pith	MT	3.00*	3.00*

\* Bagasse pith is used along with the paddy husk as fuel for producing steam which is used for pulp and paper manufacturing and power generation hence consumptions are estimated.

### b. Moulded (Tableware) Products

Particulars	UOM	Current Year 31.03.2022	Previous Year 31.03.2021
Electricity	Units	5542	5821

## (E) STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY.

Since inception the Company is using Biomass as a fuel for generating the Steam. In year 1995, the Company installed a 2.5 MW and in 2007, a 6 MW cogeneration power plant using biomass (rice husk and pith) as fuel. The Company has also installed a Black liquor (Pollutant generated during pulping of Agro waste raw material) fired Boiler, generating steam and thereby power.

## (F) CAPITAL INVESTMENTS ON ENERGY CONSERVATION EQUIPMENTS.

Total Capital investment on energy conservation equipment during FY22 is approximate ₹31,30,000/-

## 2. TECHNOLOGY ABSORPTION

EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER PRESCRIBED FORM B of the Annexure.

### (A) Specific areas in which R & D & Innovation is carried out by the Company R&D

- Successful production of high Burst factor (33+) paper at PM-3.
- Optimization of pulping & papermaking parameters & successful production of

certain grades of Kraft paper without long fiber.

- Lab evaluation of Dispersant for filler.
- Lab evaluation of different grades of Oil & Grease resistance chemicals for paper.
- Lab evaluation of Bagasse to generate seasonal trends for Strength properties.
- Lab evaluation of different type of Retention Aids & plant trial for optimization.
- Lab evaluation of different type of Wet Strength Additives & Plant trials to improve Wet Strength of paper.
- Lab evaluation & plant scale trial of color

removal chemicals at Effluent Treatment plant.

- IX. Lab evaluation of different types of Dry Strength Additives.
- X. Lab evaluation & plant scale trial of Bio based Cooking Aids for Food grade application.
- XI. Plant trial of drainage aid at PM-1 & PM-2.
- XII. Lab evaluation & Plant Trial of CMTKP for strength improvements in paper.

#### Innovation

- I. MFC lab trials from sources like Sappi, Fiber Lean Technologies, Exilva for high burst factor.
- II. CMTKP plant trials for stiffness enhancement in tableware products had promising results.
- III. WSR trials to reduce sogginess in molded containers.

IV. Bagasse based lid developed as a workable solution for food delivery solutions.

V. TCF & ECF trials for alternate bleaching approach.

VI. Greener pulping process explored for bagasse.

#### (B) Benefits derived as a result of the above R & D

Above efforts have resulted in quality improvements, cost reduction, better realization, waste reduction, recycling and development of plastic compostable alternatives.

#### (C) Future plan of action R&D

- I. Development of High BF bag paper.
- II. Optimization of Retention aid & drainage programme.
- III. Optimization of color removal formulation.

#### Innovation

- I. Exploring agro residues composites in molded tableware products.
- II. Development of bio-composite blends pellet from bagasse or similar agro-residues.
- III. Development of stone paper grade for usage as garbage bags.
- IV. Exploration of high clamping pressure molding machines for deeper depths & sharp draft angles.
- V. Developing bagasse based lid with undercut feature for spill-proof.
- VI. Utilization of waste pith for extraction of sugars.
- VII. Developing film structure for non-aromatic food products with considerable shelf life.
- VIII. Silica extraction from RHA for applications in pharma & rubber industry.

#### (D) Expenditure on R & D

		₹ In Lakhs	
S. No.	Particulars	Current Year 31.03.2022	Previous Year 31.03.2021
1.	Capital	-	1.04
2.	Recurring	84.79	14.39
3.	<b>Total</b>	<b>84.79</b>	<b>15.43</b>
4.	Total R & D Expenditure as a percentage of total Turnover	0.29%	0.08%

### (E) Technology absorption, adaptation and innovation

- I. Efforts, in brief, made towards technology absorption, adaptation and innovation:-
  - a. Pope reel replacement at PM-1 with improved technology.
  - b. Hot air heater at PM-1.
  - c. Grinding & coating of MG cylinder at PM-1 & PM-2.
  - d. Ceramic tops for wire table at PM-3.
  - e. Replace Refiner disks at PM-1 & PM-2 with new design (fine Bar).
  - f. Usage of clarified back water in Hi pressure showers at PM-3.
- II. Benefits derived as a result of the above

efforts e.g. Product improvement, cost reduction, product development, import substitution etc.:-

Improvement in existing process and product quality, less qualities variations, improved productivity, cost reduction and reduction in use of imported softwood pulp, reduction in fresh water consumption

- a. PM-1 reel winding improvement and wastage reduction.
- b. Air temperature rise with the same energy consumption.
- c. MG surface improvement resulting in Paper quality enhancement.
- d. PM-3 wire table drainage and paper formation improvement.

e. Fiber strength improvement with less cutting& more fibrillation.

f. Fresh water reduction at PM-3 by using clarified machine back water for felt conditioning Hi pr showers.

- III. Imported Technology (Imported during the last five years reckoned from the beginning of the financial year)

Not Applicable

### 3. FOREIGN EXCHANGE EARNING AND OUTGO

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;

The Company has continued thrust on exports.

### Total foreign exchange used and earned

		(In ₹)	
S. No.	Particulars	Current Year 31.03.2022	Previous Year 31.03.2021
1.	Used	41,74,64,769	11,30,67,428
2.	Earned	67,89,83,695	24,10,66,159

For and on Behalf of the Board



**Pradeep Vasant Dhobale**

Chairman

DIN: 00274636

Hyderabad August 10, 2022



# REPORT ON CORPORATE GOVERNANCE

## 1. Company's Philosophy on Code of Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Yash Pakka, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions.

As a Company with a strong sense of values and commitment, Yash Pakka believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of Yash Pakka's business philosophy. The cardinal principles such as independence, accountability, responsibility,

transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration, subsidiary oversight, Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, including relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time on account of the COVID-19 pandemic with regard to corporate governance.

## 2. Board of Directors:

i. The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and

sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.

ii. The size and composition of the Board as on March 31, 2022 is as under:

As on 31st March 2022, the Company has 9 (nine) Directors. Out of 9, 4 (Four) Directors are Independent, Non-Executive, 3 (three) are Non-Independent, Non- Executive and 2 (two) is Executive including 1 (one) Managing Director.

None of the Directors held directorship in more than 7 (seven) Listed companies. Further, none of the Independent Directors of the Company served as an Independent Director in more than 7 (seven) Listed companies. None of the Independent Directors serving as a Whole-Time Director/Managing Director in any listed entity, serves as an Independent Director of more than 3 (three) Listed entities. None of the Directors held directorship in more than 20 (twenty) Indian companies,

with not more than 10 (ten) public limited companies.

None of the Directors is a member of more than 10 (ten) committees or acted as Chairperson of more than 5 (five) committees (being AC and SRC, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act)

and Listing Regulations. The Chairman of the Company is an Independent, Non-Executive Director and not related to the CEO & Managing Director.

- iii. The composition of the Board is in compliance with the requirements of the Act and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on our website at <https://www.yashpakka.com/our-team/>.
- iv. 5 (five) Board meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The said meetings were held on June 30, 2021,

July 31, 2021, September 3, 2021, November 1, 2021 and February 12, 2021. All Board meetings in Financial Year 2021-22 were held through Video Conferencing.

- v. The agenda for each Board meeting is circulated in advance to the Board members. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Where it is not practicable to attach any document relevant to an agenda item, the same is tabled at the meeting.
- vi. There are no inter-se relationships between the Board members.

vii. The details of each member of the Board as on March 31, 2022 and their attendance at Board Meeting during the year and last AGM are provided hereunder:

Name of Director and DIN	Category	Number of Board Meetings attended during FY22	Whether attended last AGM held on September 30, 2021	No. of Directorship <sup>1</sup>		No. of Committee Positions held <sup>2</sup>		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
				Member	Chairperson	Member	Chairperson		
Mr. Pradeep Vasant Dhobale DIN: 00274636	Chairman & Independent Director	5	Yes	1	Nil	2	Nil	Nil	International Travel House Limited
Mr. Ved Krishna <sup>3</sup> DIN: 00182260	Non-Executive & Non-Independent Director (Promoter)	5	Yes	2	2	Nil	Nil	11039950	-
Mr. Jagdeep Hira DIN: 07639849	Executive & Managing Director	5	Yes	Nil	Nil	Nil	Nil	Nil	-
Mr. Narendra Kumar Agrawal <sup>4</sup> DIN: 05281887	Executive Director	5	Yes	Nil	Nil	Nil	Nil	Nil	-
Mrs. Manjula Jhunjunwala DIN: 00192901	Non-Executive & Non-Independent Director (Promoter)	4	Yes	1	Nil	Nil	Nil	551066	-
Mrs. Kimberly Ann McArthur DIN: 05206436	Non-Executive & Non-Independent Director (Promoters' Group)	3	Yes	1	Nil	Nil	Nil	Nil	-

Name of Director and DIN	Category	Number of Board Meetings attended during FY22	Whether attended last AGM held on September 30, 2021	No. of Directorship <sup>1</sup>		No. of Committee Positions held <sup>2</sup>		No. of shares held in the Company	Directorship in other listed entities including debt listed (Category of Directorship)
				Member	Chairperson	Member	Chairperson		
Dr. Indroneel Banerjee DIN: 06404397	Independent Director	5	Yes	Nil	Nil	Nil	Nil	780	-
Mr. Atul Kumar Gupta DIN: 01734070	Independent Director	4	Yes	1	Nil	3	Nil	Nil	Godfrey Philips India Limited
Mr. Srinivas Vishnubhatla <sup>5</sup> DIN: 07274232	Independent Director	4	Yes	Nil	Nil	Nil	Nil	Nil	-
Mr. Basant Kumar Khaitan DIN: 00117129	Independent Director	4	Yes	4	1	8	Nil	Nil	1. Thacker and Company Limited 2. Pudumjee Paper Products Limited

## Notes:

1. Category of Directorship held: @ Non-Independent, Non-Executive, # Independent, Non-Executive, ^Nomine Director.
2. Excludes directorship in the Company, private companies, foreign companies and companies under Section 8 of the Act.
3. Pertains to the membership/chairmanships of the Audit Committee and Stakeholder Relationship Committee of Public Companies (excluding the Company) as per Regulation 26(1)(b) of the Listing Regulations.
4. Mr. Ved Krishna was an Executive Vice Chairman till 30th June, 2021. Thereafter, he becomes non-executive director as he moved to take other responsibilities in the subsidiary of Yash Pakka Limited.
5. Mr. Narendra Kumar Agrawal resigned as Director works (Executive) with effect from 30th July 2022.
6. Mr. Srinivas Vishnubhatla resigned as an Independent Director with effect from 11th February, 2022.

viii. The Company has not issued any convertible instruments.

ix. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors.

x. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along

with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as

mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have included their names in the data bank of IDs maintained with the Indian Institute of Corporate Affairs.

**xi. Skills/expertise/competencies of the Board of Directors**

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the

management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size. The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, technology, governance, mergers and acquisitions, human resources, etc. to efficiently carry on its core businesses such as manufacturing

of paper, pulp, moulded products, supply chain management, finance, legal and technical expertise in compostable products.

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

Name of the Directors	Area of Skills / Expertise / Competence							
	Strategy	Finance	Leadership	Technical	HR	Governance	M&A	Government / Regulatory
Mr. Pradeep Vasant Dhobale	✓	✓	✓	✓	-	✓	✓	-
Mr. Ved Krishna	✓	✓	✓	✓	✓	✓	✓	-
Mr. Jagdeep Hira	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Manjula Jhunjunwala	✓	-	✓	-	✓	-	-	✓
Mrs. Kimberly Ann McArthur	✓	✓	✓	-	✓	✓	-	-
Dr. Indroneel Banerjee	-	✓	✓	-	-	-	-	-
Mr. Atul Kumar Gupta	✓	✓	✓	-	-	✓	✓	✓
Mr. Basant Kumar Khaitan	✓	✓	✓	✓	✓	✓	✓	✓

**xii. Changes in Board composition**

There were no changes in Board composition during FY22 except, during the year under review, Mr. Ved Krishna, Executive Vice-Chairman was re-designated as Vice-Chairman (Non-Executive) w.e.f. July 1, 2021 in the Board Meeting held on June 30, 2021.

Further at the 41st Annual General Meeting of the Company held on September 30, 2021, the Members approved the re-appointment of Mrs. Manjula Jhunjunwala

who retired by rotation and being eligible for appointment has been reappointed as Non-Executive Director of the Company.

Further, Mr. Srinivas Vishnubhatla, Independent Director resigned from the Board of the Company w.e.f. February 11, 2022 consequent to certain urgent personal pressing engagements.

Further, the shareholders of the Company at their Extra Ordinary General meeting held on May 6, 2022, approved the re-appointment of Mr. Narendra Kumar

Agarwal (DIN - 05281887) as Director (Works). However, Mr. Narendra Kumar Agarwal has resigned from directorship of the Company with effect from July 30, 2022 due to personal and unavoidable circumstances.

Further, the Members of the Company at their Extra Ordinary General meeting held on May 6, 2022 had also approved the reappointment of Mr. Pradeep Vasant Dhobale as an Independent Director for the second term of five years w.e.f. 25.09.2022.



Further, the Members of the Company at their Extra Ordinary General meeting held on May 6, 2022 had also approved the appointment of Mr. Ved Krishna as Vice Chairman (Non-Executive) of the Company.

In terms of the provisions of section 152 of the act, Mr. Jagdeep Hira, retires by rotation at ensuing Annual General Meeting and the Board commends for his re-appointment.

Further, the approval of shareholders of the Company is sought for re-appointment of Mr. Basant Kumar Khaitan (DIN: 00117129), for a second term as an Independent Director of the Company for a period of 5 consecutive years from May 19, 2023 to May 18, 2028.

#### **xiii. Term of Board membership**

The Nomination and Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/ areas relevant to the Company and have ability to contribute to the Company's growth. As per the existing policy, the retirement age for MD / EDs is 60 years, NEDs is 75 years and IDs is 75 years.

#### **xiv. Selection and appointment of new directors**

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the Nomination and Remuneration Committee. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an ID, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an ID. The potential ID is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

#### **xv. Letter of appointment issued to Independent Directors**

The IDs on the Board of the Company are given a formal appointment letter inter

alia containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the website [www.yashpakka.com](http://www.yashpakka.com) of the Company.

#### **xvi. Information provided to the Board**

During FY22, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

#### **xvii. Meeting of Independent Directors**

During the year under review, one separate meeting of the IDs was held on February 11, 2022. At the said meeting, the IDs reviewed the performance of the NEDs, of the Board as a whole and the Chairman, after considering the view of the Managing Director and NEDs.

#### **xviii. Details of familiarisation programmes for Directors including Independent Directors**

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and

updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. Separate sessions are organised with external domain experts to enable Board members to update their knowledge of the sector. Details of the familiarization program on cumulative basis are available on the Company's website [www.yashpakka.com](http://www.yashpakka.com).

#### **xix. Code of Conduct**

The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its NEDs which includes Code of Conduct for IDs which suitably incorporates the duties of IDs as laid down in the Act. All Board members and senior management personnel have affirmed compliance with their respective Code of Conduct. The CEO & Managing Director has also confirmed and declared the same. The declaration is reproduced at the end of this Report and marked as **Annexure I**.

#### **xx. Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices**

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (the Code). Mr. Sachin Kumar Srivastava, Company Secretary (CS) of the Company is the 'Compliance Officer' in terms of this Code.

#### **xxi. Remuneration to Directors and Key managerial Personnel**

a) Details of remuneration to Non-Executive Directors during and for FY22:

Name of Directors	Remuneration Paid (In ₹ Lakhs)		
	Sitting Fees	Pension and Professional Fees	Total
Mr. Pradeep Vasant Dhobale	1.35	-	1.35
Mr. Ved Krishna	-	-	-
Mrs. Manjula Jhunjunwala*	1.05	12.00	13.05
Mrs. Kimberly Ann McArthur	0.75	67.41	68.16
Dr. Indroneel Banerjee	1.35	-	1.35
Mr. Atul Kumar Gupta	1.20	-	1.20
Mr. Srinivas Vishnubhatla	1.20	-	1.20
Mr. Basant Kumar Khaitan	1.05	-	1.05

\*Being wife of Late Mr. K. K. Jhunjunwala, Founder of the Company, amount was paid as pension after his death.

## b) Details of remuneration and perquisites paid to the Managing Director/Whole Time Director during FY22

(Amount in ₹ Lakhs)

Name	Salary & Allowance	Perquisites & Benefits	Total
Mr. Jagdeep Hira	193.20	-	193.20
Mr. Ved Krishna	48.11	-	48.11
Mr. Narendra Kumar Agrawal	45.08	-	45.08

## c) Details of remuneration and perquisites paid to the Key managerial Personnel during FY22

(Amount in ₹ Lakhs)

Name	Designation	Salary & Allowance	Perquisites & Benefits	Total
Mr. Jignesh Shah	Chief Financial Officer	62.34	-	62.34
Mrs. Bhavna Kodarbhai Patel	Company Secretary	19.51	-	19.51

**xxii. Board Committees**

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better

and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose. The Board has four committees as on March 31, 2022. Details of the statutory committees are as follows:

**Statutory Committees**

The Board has the following statutory Committees as on March 31, 2022:

- (i) Audit Committee of Directors
- (ii) Nomination and Remuneration Committee
- (iii) Corporate Social Responsibility Committee
- (iv) Stakeholders Relationship Committee

**3. Audit Committee**

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Name of the Director	No. of Meetings held during FY22	No. of Meetings Attended
Mr. Atul Kumar Gupta	4	4
Mr. Basant Kumar Khaitan	4	3
Mr. Jagdeep Hira	4	4
Mr. Ved Krishna*	4	3
Mr. Srinivas Vishnubhatla**	4	3
Dr. Indroneel Banerjee***	4	0

\*Mr. Ved Krishna resigned as a member of the Audit Committee w.e.f. 12th February, 2022.

\*\*Mr. Srinivas Vishnubhatla resigned as a member of the Audit Committee w.e.f. 11th February, 2022.

\*\*\*Dr. Indroneel Banerjee resigned as a member of the Audit Committee w.e.f. 31st July, 2021.

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

Meetings of the Committee were held on June 29, 2021, July 30, 2021, October 31, 2021, and February 11, 2022, with the requisite quorum.

The CFO assists the Committee in the discharge of its responsibilities. The Committee invites such employees or advisors as it considers appropriate to attend. The CFO, the Internal Auditor and the Statutory Auditors are generally invited to attend meetings unless the Committee considers otherwise. Quarterly Reports are provided to the members of the Committee on matters relating to the Code. The Company Secretary acts as the Secretary of the Committee.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the Statutory Auditors are also preapproved by the Committee.

The Board has approved the composition, role, responsibilities, powers and processes of the Audit Committee defining inter alia as:-

- Oversee the processes that ensure the integrity of financial statements.
- Oversee the adequacy and effectiveness of the processes and controls for compliance with laws and regulations.
- Oversee the adequacy and effectiveness of the process by which confidential or anonymous complaints or information regarding financial or commercial matters are received and acted upon. This includes the protection of whistle-blowers from victimization and the provision of access by whistle blowers to the Chairman of the Committee.
- Approval/modification of the transactions with related parties.
- Enquiry into reasons for any default by the Company in honouring its obligations to its creditors and members.
- Oversee the quality of internal accounting controls and other controls.
- Oversee the system for storage (including back-up).
- Oversee the quality of the financial reporting process, including the selection of the most appropriate of permitted accounting policies.
- Ensure the independence of the Auditor.
- Recommend to the Board the appointment

and remuneration of the Auditors (including cost auditors).

- Framing of rules for the hiring of any current or former employee of the Audit firm.
- Scrutinize inter-corporate loans and investments.
- Monitor the end use of funds raised through public offers.
- Conducting the valuation of any undertaking or asset of the Company.
- Oversee the internal audit function and approve the appointment of the Chief Internal Auditor.
- Bring to the notice of the Board any lacunae in the Code of Conduct and the vigil mechanism (whistle blowing process) adopted by the Company.
- Reviewing with the CEO and the CFO of the Company the underlying process followed by them in their annual certification to the Board of Directors.
- Approving the appointment of the CFO.

All the recommendations made by the Committee during the year under review were accepted by the Board.

Mr. Atul Kumar Gupta, Chairman of the Committee, was present at the last AGM held on September 30, 2021.



#### 4. Nomination and Remuneration Committee

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Name of the Director	No. of Meetings held during FY22	No. of Meetings Attended
Dr. Indroneel Banerjee	3	3
Mr. Atul Kumar Gupta*	3	0
Mr. Pradeep Dhobale**	3	1
Mr. Basant Kumar Khaitan***	3	0
Mr. Srinivas Vishnubhatla****	3	3

\* Mr. Atul Kumar Gupta resigned as a member of the Nomination and Remuneration Committee w.e.f. July 31, 2021.

\*\* Mr. Pradeep Vasant Dhobale, Director of the Company was appointed as a member of Nomination and Remuneration Committee w.e.f. July 31, 2021.

\*\*\* Mr. Basant Kumar Khaitan, Director of the Company was appointed as a member of Nomination and Remuneration Committee w.e.f. July 31, 2021.

\*\*\*\*Mr. Srinivas Vishnubhatla, Director resigned from the Nomination and Remuneration Committee w.e.f. February 11, 2022.

Meetings of the Committee were held on July 31, 2021, October 31, 2021 and November 1, 2021 with the requisite quorum.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for inter alia formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee

is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are attached as Annexures I and II respectively to the Board's Report. The Company does not have any Employee Stock Option Scheme.

The Board has also approved the composition, powers, responsibilities, reporting, evaluation, etc. of the Committee. The terms of the Committee broadly include Board composition and succession planning, evaluation, remuneration, board development and review of HR Strategy, Philosophy and Practices.

Dr. Indroneel Banerjee, Chairman of the Committee was present at the last AGM held on September 30, 2021.

#### 5. Corporate Social Responsibility Committee

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Name of the Director	No. of Meetings held during FY22	No. of Meetings Attended
Dr. Indroneel Banerjee	3	3
Mr. Atul Kumar Gupta*	3	0
Mr. Pradeep Dhobale**	3	1
Mr. Basant Kumar Khaitan***	3	1
Mr. Srinivas Vishnubhatla****	3	3

Meetings of this Committee were held on June 28, 2021, September 30, 2021, October 27, 2021 and October 30, 2021 with the requisite quorum.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is

provided on the Company's website at <https://www.yashpakka.com/investors/>.

Brief Terms of Reference/Roles and Responsibilities:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.

- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.

- Monitor the CSR Policy.

Mrs. Kimberly Ann McArthur, Chairperson of the Committee, was present at the last AGM held on September 30, 2021.

## 6. Stakeholder Relationship Committee

The composition of the Committee as on March 31, 2022 and attendance details of meetings during FY22, are as follows:

Name of the Director	No. of Meetings held during FY22	No. of Meetings Attended
Dr. Indroneel Banerjee	4	4
Mrs. Manjula Jhunjunwala	4	4
Mrs. Kimberly Ann McArthur	4	2

Meetings of this Committee were held on April 16, 2021, July 9, 2021, October 8, 2021 and January 7, 2022 with the requisite quorum.

The Committee specifically discharges duties of servicing and protecting the various aspects of interest of shareholders, debenture holders and other security holders.

The Board has approved the composition, powers, responsibilities, etc. of the Committee. The terms of the Committee broadly include:

- Approval of issue of duplicate certificates for securities and transmission of securities.

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

- Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Review of movements in shareholding and ownership structures of the Company.

- Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
- Suggest and drive implementation of various investor friendly initiatives.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification /amendment or modification as may be applicable.

**Name, designation and address of the Compliance Officer:**

Mr. Sachin Kumar Srivastava, Company Secretary  
Yash Pakka Limited, Yash Nagar, Ayodhya, Uttar Pradesh - 224135  
Tel: 05278 258174  
Email id: cs@yashpakka.com

In accordance with Regulation 6 of the Listing Regulations, the Board has appointed Mr. Sachin Kumar Srivastava, Company Secretary

as the Compliance Officer. He is authorised to approve share transfers/transmissions, in addition to the powers with the members of the Committee. Share transfer formalities are regularly attended to and at least once a fortnight. All investor complaints which cannot be settled at the level of the Compliance Officer, are placed before the Committee for final settlement. The status of total number of complaints received during the year under review is as follows:

Opening Balance	Received during the year 2021-22	Resolved during the year	Closing Balance
0	1	1	0

Dr. Indroneel Banerjee, Chairman of the Committee, was present at the last AGM held on September 30, 2021.

## 7. General Body Meetings

### a) The details of the last three Annual General Meetings of the Company:

Financial Year	Date & Day	Time	Venue	Special Resolution Passed
2020-21	30/09/2021	10:00 A.M.	Held through video conference / other audio-visual means	-
2019-20	31/10/2020	11:00 A.M.	Held through video conference / other audio visual means.	<ol style="list-style-type: none"> <li>1. Approval for re-appointment of Mr. Ved Krishna (DIN: 00182260) as an Executive Vice Chairman of the Company for a term of 3 years.</li> <li>2. To consider and approve for re-appointment of Mr. Jagdeep Hira (DIN: 07639849) as a Managing Director &amp; CEO of the Company for a term of 3 years.</li> <li>3. To consider and approve modification of Yash Team Stock Option Plan 2019.</li> </ol>

Financial Year	Date & Day	Time	Venue	Special Resolution Passed
2018-19	22/09/2019	02:00 P.M.	Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Kanpur 208002, Uttar Pradesh	<ol style="list-style-type: none"> <li>1. Change of name of the Company</li> <li>2. Approval of Yash Team Stock Option Plan – 2019</li> <li>3. Approval of Yash Team Welfare Trust</li> <li>4. Approval for provision of money to Yash Team Welfare Trust for acquisition of equity shares</li> <li>5. Approve material Related Party Transaction with Yash Compostables Limited</li> </ol>

**b) Extraordinary General Meeting:**

No Extraordinary General Meeting of the Members was held during FY22. However an Extraordinary General Meeting of the Members of the Company was called on Friday 6th May, 2022 at 11:00 a.m. through Video Conference / Other Audio-Visual Means.

**c) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT):**

During the year ended March 31, 2020, three meetings of the Equity Shareholders, Secured Creditors and the Unsecured Creditors of the Company were held as per order dated August 26, 2021 of the National Company Law Tribunal, Allahabad on Thursday, October 7, 2021 at 11:30 a.m., 01:30 p.m. and 03:00 P.M. respectively at Yash Nagar, Ayodhya – 224135, Uttar Pradesh to consider and approve the scheme of Merger by Absorption of Yash Compostables Limited (the “Transferor Company”) and Yash Pakka Limited (the Transferee Company”).

**d) Postal Ballot**

**(i) Details of the Special/Ordinary Resolutions passed by the Company through Postal Ballot:**

During the financial year 2021-22 ended on March 31, 2022, no special/ordinary resolutions passed by the Company through Postal Ballot.

**(ii) Whether any special resolution is proposed to be conducted through postal ballot:**

There is no proposal for any special resolution to be put through postal ballot at the forthcoming Annual General Meeting for shareholders’ approval.

**8. Means of Communication**

**(a) Quarterly, Half-yearly and Annual Results:** Quarterly, half yearly and annual financial results of the Company are generally published in Business Standard, leading National English and Hindi Newspapers.

Post results, an Investor Conference call is held where members are invited to participate in the Q&A session with the Company’s management. The key highlights are discussed and investor/analyst queries are resolved in this forum. The quarterly, half yearly, annual financial results and audio call recordings of the analyst calls are also uploaded on the Company’s website under Investors Meet tab of Investor Section.

**(b) Website:** Comprehensive information about the Company’s business and operations, Press Releases and investor information can be viewed at the Company’s website at [www.yashpakka.com](http://www.yashpakka.com). The “Investor” section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, presentation made to analysts etc.

**(c) Dedicated email ID for communication with Investor:**

The Company has a dedicated email id: cs@yashpakka.com of Mr. Sachin Kumar Srivastava, Company Secretary & Compliance Officer of the Company exclusively for investor servicing and the same is prominently displayed on the Company's website: www.yashpakka.com.

**(d) Annual Report:** Annual Report contains inter-alia Audited Annual Accounts, Consolidated Financial Statement, Boards' Report, and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are

also part of the annual report.

**(e) The Management Discussion & Analysis:** The Management Discussion & Analysis Report forms part of the annual report.

**(f) Intimation to the Stock Exchanges:** The Company intimates stock exchanges all price sensitive information or such other information which in its opinion are material & of relevance to the shareholders.

**(g) Code of conduct for Directors and Senior Executives:** The Company has laid down a Code of Conduct for all Board Members and Senior Executives

of the Company. The Code of conduct is available on the Company's website <https://www.yashpakka.com/pdf/policy/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20Management%20Personnel.pdf>. All Board Members and Senior Management Personnel affirm compliance with the code of conduct annually. The Managing Director has given a declaration that all the Directors and senior management personnel have affirmed compliance with the Code of Conduct and same is annexed hereto.

**Financial calendar (Tentative) Results for the quarter ending**

Financial Reporting for the quarter / three months ending 30th June, 2022	10th August, 2022
Financial Reporting for the quarter / half year ending 30th September, 2022	Last week of October, 2022
Financial Reporting for the quarter / nine months ending 31st December, 2022	First week of February, 2023
Financial Reporting for the annual audited accounts for the financial year ending 31st March, 2023	Fourth week of May, 2023

Annual General Meeting – September, 2023

**(h) Presentation made to institutional investors or to the analysts****9. Disclosures****(A) Basis of related party transactions**

All transactions entered into with Related Parties as defined Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in

the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to

the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

(i) The statements containing the transactions with related parties were submitted periodically to the Audit Committee.

(ii) There are no related party



transactions that may have potential conflict with the interest of the Company at large.

(iii) There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as on an arm's length basis.

(iv) There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

**(B) Disclosure of Accounting Treatment**

Your Company has followed all relevant Accounting Standards while preparing the Financial Statements.

**(C) Board Disclosures - Risk Management**

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

**(D) Proceeds from public issues, right issues, preferential issues etc.**

The Company has not made any allotment of securities, therefore no proceeds were received by the Company during the year 2021-22.

**(E) Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website [www.yashpakka.com](http://www.yashpakka.com).

1. To create a window for the employees, who observe an unethical practice either organizationally or individually, to be able to raise it without any fear of victimization or reprisal.
2. To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety.
3. To ensure consistent and timely institutional response.
4. To ensure appropriate reporting of whistleblower investigations; and

5. To encourage ethical and lawful conduct.

The Directors and management personnel maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination. No employee was denied access to the Audit Committee.

**(F) Shareholders**

- (i) The quarterly results made by the Company are put on the Company's website <https://www.yashpakka.com> under Financial Results of the Investor Section.
- (ii) Mr. Jagdeep Hira, Managing Director retiring by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment as Director.

**(G) Disclosures on materially significant related party transactions:**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting

policies and notes forming part of the Financial Statements in accordance with “IND AS”. A statement in summary form of transactions with Related Parties in ordinary course of business and arm’s length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website www.yashpakka.com of the Company. None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm’s length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm’s length or fair value basis.

**(H) Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authorities or any matter related to capital markets.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI

or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

**(I) Disclosure of Commodity Price Risks and commodity hedging activities**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

**(J) Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A): Not Applicable**

**(K)** A certificate has been obtained from Amit Gupta & Associates, Lucknow, Practicing Company Secretaries, confirming that none of the directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority has been attached with Directors’ Report.

**(L)** Details of fees paid to the Statutory Auditor: Details relating to fees paid to the Statutory Auditors are given in Note.32a to the Standalone Financial Statements.

**(M)** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i) number of complaints filed during the financial year: Nil
- ii) number of complaints disposed of during the financial year: Nil
- iii) number of complaints pending as on end of the financial year: Nil

## 10. CEO & CFO Certification

A prescribed certificate as stipulated in Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 duly signed by the CEO and CFO was placed before the Board along with the financial statements for the year ended 31st March, 2022. The said certificate is provided as **Annexure II** with this Report.

## 11. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchange where the Company’s equity shares are listed in the requisite format duly signed by the Managing Director & CEO of the Company. Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor’s Certificate in compliance on conditions of Corporate Governance is published as **Annexure III** with this Report.

## 12. General Shareholder Information

### (A) Annual General Meeting

<b>Date &amp; Day</b>	Friday, 30th September, 2022
<b>Time</b>	11:00 AM
<b>Mode</b>	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
<b>Financial Year</b>	1st April to 31st March

### (B) Dividend

Dividend of ₹2 per equity share of the face value of ₹10 each i.e. 20 % on the paid-up equity share capital has been recommended by the Board in the Board Meeting held on 28th May, 2022 and will be paid in accordance with Section 123 of the Act and Secretarial Standard-4 on Dividend ("SS-4"), if approved by the members at the ensuing Annual General Meeting.

### (C) Unclaimed Dividend

Pursuant to Section 125 of the Company of the Companies Act, 2013, all unclaimed dividends upto the financial year 2004 have been transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government. The Company has declared dividend thereafter for

financial year 2018-19, 2019-20 and 2020-21 which is not yet due for transfer to IEPF.

### (D) Listing on Stock Exchange

The Company's entire equity share capital comprising of 3,52,40,000 equity shares of ₹10 each is listed at the following Stock Exchange:

<b>Name and Address of the Stock Exchange</b>	<b>Stock Code</b>
BSE Limited	
Phiroze Jeejeebhoy Towers,	
Dalal Street, Fort,	
Mumbai - 400 023	516030
Maharashtra	

### (E) Listing and Custodian Fees

The Company has paid listing fees for the Financial Year 2021-22 and 2022-23 to the BSE Ltd. The Company has also paid annual custodial fee for the financial year 2021-22 and 2022-23 to the depositories namely NSDL and CDSL.

### (F) Shareholding as on 31st March, 2022

(i) Distribution of Equity Shareholding as on 31st March, 2022

SHAREHOLDINGS OF NOMINAL VALUE OF			SHAREHOLDERS		SHARE AMOUNT	
₹	₹		Number	% to Total	In ₹	% to Total
(1)			(2)	(3)	(4)	(5)
Upto	-	5,000	11966	77.14	19354350.00	5.49
5,001	-	10,000	1546	9.97	12632310.00	3.58
10,001	-	20,000	829	5.34	12988550.00	3.69
20,001	-	30,000	350	2.26	9127980.00	2.59
30,001	-	40,000	166	1.07	5886560.00	1.67
40,001	-	50,000	144	0.93	6788760.00	1.93
50,001	-	1,00,000	269	1.73	19667980.00	5.58
1,00,001 and Above			243	1.57	265953510.00	75.47
<b>TOTAL</b>			<b>15513</b>	<b>100.00</b>	<b>352400000.00</b>	<b>100.00</b>

## (ii) Shareholding Pattern of Equity Shares as on 31st March, 2022

Sr. No.	Category of shareholder	Number of shareholders	No of fully paid-up equity shares held	Shareholding as a % of total no. of shares
<b>(A)</b>	<b>Shareholding of Promoter &amp; Promoter Group</b>			
(1)	Indian	5	15910156	45.15
(2)	Foreign	0	0	0
<b>Total Shareholding of Promoter &amp; Promoter Group</b>		5	15910156	45.15
<b>(B)</b>	<b>Public Shareholding</b>			
(1)	Institutions	2	1136351	3.22
(2)	Non-institutions	15506	18193493	51.63
<b>Total Public Shareholding</b>		15508	19329844	54.85
<b>(C)</b>	<b>Non Promoter- Non Public</b>			
(1)	Shares held by Custodian(s) against which Depository Receipts have been issued	0	0	0
<b>Total Non Promoter- Non Public</b>		0	0	0
<b>Total (A) + (B) +(C)</b>		15513	35240000	100.00

**(iii) Promoters' Group Shareholding as on 31st March, 2022**

S. No.	Name of Promoters	No. of Shares held	Shareholding as a % of total no. of shares	No. of Pledged Shares*	% of Total Shareholding of Promoter
1.	Mr. Ved Krishna	1,10,39,950	31.33	1,10,39,950	69.39
2.	Yash Agro Products Limited	9,68,640	2.75	9,68,640	6.09
3.	Satori Global Limited	33,34,500	9.46	33,34,500	20.96
4.	Mrs. Manjula Jhunjunwala	5,51,066	1.56	5,51,066	3.46
5.	Krishnakumar Jhunjunwala (H.U.F.) - Ved Krishna (Karta)	16,000	0.05	16,000	0.10
	<b>Total</b>	<b>1,59,10,156</b>	<b>45.15</b>	<b>1,59,10,156</b>	<b>100.00</b>

\*The Consortium Lenders of the Company have approved to release pledge on 1,59,10,156 equity shares held by Promoters & Promoters Group of the Company vide Letter No. COMM/AMT/2022-23/25 dated 27.05.2022. The same was duly intimated to the Stock Exchange vide Letter dated 28.05.2022. The procedure to release the aforesaid equity shares are in process and a separate intimation will be made for release of aforesaid pledged shares held by Promoter & Promoter Group of the Company.

**(iv) Capital of the Company**

The Authorized and paid-up capital of your Company are ₹60 crores and ₹35.24 crores respectively as on 31st March, 2022. However, the paid up capital increased to ₹38.78 crores on 13th May, 2022 as 28,38,500 Equity Shares of Face Value of ₹10/- each of Yash Pakka

Limited has been allotted on 13.05.2022 to the Shareholders of Yash Compostables Limited (i.e. 56.77 (Fifty-Six point Seventy-Seven) Equity Shares of Face Value of ₹10/- each of Yash Pakka Limited to the Shareholders of Yash Compostables Limited for every 1 (One) Equity Share of Face Value of ₹10/- each held

by the Shareholders of Yash Compostables Limited) pursuant to Clause 8.1 of the Scheme of Merger by Absorption as approved by NCLT, Allahabad Bench vide order dated 18" April, 2022.

**(v) Top Ten shareholders as on 31st March, 2022**

Sl. No.	Name of Shareholders	No. of Equity Shares held	% of Total Equity Shares held
1.	AEGIS Investment Fund PCC	11,35,351	3.22
2.	Sangeetha S	9,12,000	2.59
3.	Anurag Choudhary	4,16,295	1.18
4.	Santosh Industries Limited	3,62,741	1.03
5.	Vandana Sehgal	3,48,613	0.99
6.	Shyam Sunder Choudhary	3,47,157	0.99



Sl. No.	Name of Shareholders	No. of Equity Shares held	% of Total Equity Shares held
7.	Kishor Kumar Nadhani	3,09,203	0.88
8.	Amit Kumar Choudhary	3,09,000	0.88
9.	AVS Global Private Limited	2,87,000	0.81
10.	Sheela Devi Choudhary	1,69,000	0.48
<b>TOTAL</b>		<b>45,96,360</b>	<b>13.05</b>

**(vi) Stock Price Data/ Stock Performance: Year 2021-22**

a. During the year under report, the trading in the Company's equity shares was from 1st April, 2021 to 31st March, 2022. The high and low price during the period on the Bombay Stock Exchange Limited was as under:-

Month	High (₹)	Low (₹)	High	Low
	BSE		BSE SENSEX	
April, 2021	93.40	77.20	50375.77	47204.50
May, 2021	107.50	86.50	52013.22	48028.07
June, 2021	95.90	84.05	53126.73	51450.58
July, 2021	95.25	71.2	53290.81	51802.73
August, 2021	104.40	84.00	57625.26	52804.08
September, 2021	88.50	81.20	60412.32	57263.90
October, 2021	88.00	73.70	62245.43	58551.14
November, 2021	83.95	72.10	61036.56	56382.93
December, 2021	85.65	72.60	59203.37	55132.68
January, 2022	96.50	76.50	61475.15	56409.63
February, 2022	87.85	74.30	59618.51	54383.20
March, 2022	85.80	75.00	58890.92	52260.82

**b. Performance in comparison to BSE Sensex: Year 2021-22**

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	01 April, 2021	31 March, 2022	% CHANGE
Company Share Price (High)	₹84.00	₹79.80	-5.00%
SENSEX (High)	50375.77	58890.92	16.90%

**(G) Dematerialization of shares and liquidity**

The Company's equity shares are compulsorily traded in the electronic form from 26th December, 2000. The Company entered into an Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scrip less trading. The system for getting the shares dematerialized is as under:

- Share Certificate(s) along with Demat Request Form (DRF) is to be submitted by the shareholder to the Depository Participants (DP) with whom he/she has opened a Depository Account.
- DP processes the DRF and generates a unique number DRN.
- DP forwards the DRF and share certificates to the Company's Registrar and Share Transfer Agent.
- The Company's Registrar and Share Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

As on 31st March, 2022, 98.62% of total equity share capital (34,75,36,720) of the Company was held in dematerialized form (including 100% of the promoter holding). The ISIN allotted

by NSDL/CDSL is INE551D01018. Confirmation in respect of the requests for dematerialization of shares is sent to NSDL and CDSL within the stipulated period.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**(I) Secretarial Audit:**

In terms of the Act, the Company appointed Amit Gupta & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of records and documents of the Company for FY22. The Secretarial Audit Report is provided as Annexure IV to the Directors' Report.

**(J) Reconciliation of Share Capital Audit Report**

A Company Secretary in practice carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL (collectively

'Depositories') and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL) as on March 31, 2022. The Audit report is disseminated to the Stock Exchanges on

quarterly basis and is also available under Investor Section of our website [www.yashpakka.com](http://www.yashpakka.com).

**(K) Description of voting rights:**

All Equity shares issued by the Company carry equal voting rights.

**(L) Registrar and Share Transfer Agents**

The Members are requested to correspond the Company's Registrars & Share Transfer Agents - Skyline Financial Services Private Limited quoting their Folio Number, Client ID and DP ID at the following address:-

**Skyline Financial Services Pvt. Ltd.**

D-153/A, 1st Floor,  
Okhla Industrial Area, Phase - 1,  
New Delhi - 110 020  
Tel No.: (011) 40450193 - 197  
Email: [info@skylinerta.com](mailto:info@skylinerta.com)

**(M) Registered Office**

Yash Pakka Limited  
2nd Floor, 24/57, Birhana Road  
Kanpur - 208 001,  
Uttar Pradesh,  
India  
E-mail: [connect@yashpakka.com](mailto:connect@yashpakka.com)

**(N) Plant Locations**

Yash Pakka Limited  
Yash Nagar,  
Ayodhya - 224 135  
Ph. (05278) 258174;  
E-mail: [connect@yashpakka.com](mailto:connect@yashpakka.com)

**(O) Address for correspondence**

Please contact the Compliance Officer of the Company at the following address regarding any questions or concerns:

**The Company Secretary**

Yash Pakka Limited  
Yash Nagar,  
Ayodhya - 224 135  
Ph. +91 78000 08247;  
E-mail: cs@yashpakka.com

**(P) Share Transfer System**

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to

take action to dematerialize the Equity Shares of the Company, promptly.

**(Q) Norms for furnishing of PAN, KYC, Bank details and Nomination**

SEBI vide circular dated November 3, 2021, has mandated listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank details and Nomination) are not available with us, on or after April 1, 2023, shall be frozen as per the aforesaid SEBI circular.

The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.yashpakka.com> under Investor Section. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has sent a letter to the Members holding shares in physical form in relation to the aforesaid on March 11, 2022. In respect of Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.

**(R) List of all credit ratings obtained by the entity alongwith any revisions thereto during the relevant financial year**

During FY22, the Company has not received

any credit rating by the rating agencies.

**(S) Commodity Price Risks or Foreign Exchange Risk and hedging activities**

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out.

**(T) Practicing Company Secretaries Certificate for non-debarment/ Non-Disqualification of Directors**

A certificate from the Practicing Company Secretaries has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority and the same is reproduced at the end of this report and marked as **Annexure IV**.

The above report has been adopted by the Board of Directors at their meeting held on August 10, 2022.

On Behalf of the Board



**Jagdeep Hira**

Managing Director  
DIN: 07639849

Place: Ayodhya  
Date: August 10, 2022

## DECLARATION

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2022.

for **Yash Pakka Limited**



**Jagdeep Hira**

Managing Director

DIN: 07639849

Ayodhya, August 10, 2022

## Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

To,  
The Board of Directors  
**Yash Pakka Limited**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Yash Pakka Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2022 and to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:

- (i) significant changes, if any, in internal control over financial reporting during the year;
- (ii) Significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

for Yash Pakka Limited



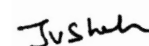
**Jagdeep Hira**

Managing Director

DIN: 07639849

Ayodhya August 10, 2022

for Yash Pakka Limited



**Jignesh Shah**

Chief Financial Officer

PAN: AOUPS4966H

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Annexure - III

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members,  
**Yash Pakka Limited**

We have examined the compliance of conditions of Corporate Governance by Yash Pakka Limited ("the Company"), for the financial year ended on March 31, 2022 as stipulated in Regulation 17 to 27 and Clauses (b) to (i) and (t) of the sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.


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

In our opinion and to the best of our information and explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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

**For Amit Gupta & Associates**  
**Company Secretaries**



**Amit Gupta**  
**Proprietor**

Membership No. : F5478

C.P. No. 4682

UDIN - F005478D000778899

Date: August 10, 2022

Place: Lucknow

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Annexure - IV

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2019)

To  
The Members,  
**Yash Pakka Limited**

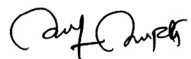
We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to YASH PAKKA LIMITED having CIN L24231UP1981PLC005294 and having registered office at 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, under Section 164 of Companies Act, 2013 for MCA or such other statutory authority as on March 31, 2022.

Table A

Sr. No.	Name of Directors	Director Identification Number	Date of Appointment in the Company
1.	Mr. Pradeep Vasant Dhobale	00274636	02/09/2017
2.	Mr. Ved Krishna	00182260	30/05/1999
3.	Mr. Jagdeep Hira	07639849	22/10/2016
4.	Mrs. Manjula Jhunhunwala	00192901	17/06/1981
5.	Mrs. Kimberly Ann McArthur	05206436	13/02/2012
6.	Mr. Atul Kumar Gupta	01734070	15/05/2014
7.	Mr. Basant Kumar Khaitan	00117129	19/05/2018
8.	Dr. Indroneel Banerjee	06404397	11/08/2012

**For Amit Gupta & Associates  
Company Secretaries**



**Amit Gupta  
Proprietor**

Membership No. : F5478

C.P. No. 4682

UDIN - F005478D000778888

Date: August 10, 2022

Place: Lucknow

# FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**YASH PAKKA LIMITED**

## Report on the audit of the Standalone Financial Statements

### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with

the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	<p><b>Property, plant and equipment and capital work in progress</b></p> <ul style="list-style-type: none"> <li>The Company is in the process of executing various projects like, purchasing / installation of new machineries/ capital projects. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the Balance Sheet of the Company, this is considered to be an area with significant effect on the overall audit strategy and allocation of resources in planning and completing our audit;</li> <li>This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs that are eligible for capitalization are not appropriately capitalized in accordance with the recognition criteria provided in Ind AS 16(Refer Note 2 to the standalone financial statements)</li> </ul>	<p><b>Audit Approach:</b></p> <ul style="list-style-type: none"> <li>We performed an understanding and evaluation of the system of internal control process over the projects and those included in capital work in progress, with reference to identification and testing of key controls;</li> <li>We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use;</li> <li>Review of Board minutes relating to approvals of the projects and changes in estimates thereof;</li> <li>Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;</li> <li>Tested the direct and indirect costs capitalised, on a sample basis, with the underlying supporting documents to ascertain nature of costs and basis for allocation, where applicable, and evaluated whether they meet the recognition criteria provided in the Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment;</li> <li>Review of physical verification reports conducted by the Company and write offs.</li> <li>Ensured adequacy of disclosures in the standalone financial statements.</li> </ul>
	<p><b>Litigations, Provisions and Contingent Liabilities</b></p> <ul style="list-style-type: none"> <li>There are several litigations pending before various forums against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</li> <li>We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty.(Refer Note44to the standalone financial statements)</li> </ul>	<p><b>Audit Approach:</b></p> <ul style="list-style-type: none"> <li>Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations;</li> <li>Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions and process followed to decide provisioning or disclosure as Contingent Liabilities;</li> <li>Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company;</li> <li>We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.</li> </ul>



### **Information other than the standalone financial statements and Auditors report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including its annexures and Corporate Governance and Shareholders information but does not include the Standalone financial statements and our auditor's report thereon. The Directors' report including its annexures and Corporate Governance and Shareholders information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

### **Responsibilities of Management and Those Charged with Governance for the Standalone financial statements**

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of Standalone financial statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error,

design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate

with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 44 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
  - iii. There were no amounts which were 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, as disclosed in note 49 to the standalone financial statements, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 49 to the standalone financial statements 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, whether, directly or indirectly, lend or invest in other persons or entities identified in

any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that

has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

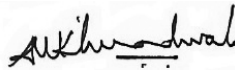
- d. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of

the Act to the extent it applies to payment of dividend;

As stated in Note no. 15 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Place: Mumbai  
Date: 28th May, 2022

For **C N K & Associates LLP**  
*Chartered Accountants*  
Firm Registration No: 101961W / W - 100036

  
**Himanshu Kishnadwala**  
*Partner*

Membership No: 037391  
UDIN: 2037391AJTYQY1853

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under “Report on other Legal and Regulatory requirements” in the Independent Auditor’s Report of even date to the members of YASH PAKKA LIMITED (“the Company”) on the Standalone financial statements for the year ended 31st March 2022)

**To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in normal course of audit, we state that:**

(i) In respect of the Company’s Property plant and Equipment and Intangible assets:

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment;

B. The Company is maintaining proper records showing full particulars, of Intangible assets;

(b) Property Plant and Equipment were physically verified by the Management during the year and based on such verification the Company has written off during the year assets which were discarded / not in use having written down value of ₹184.91 lakhs;

(c) As mentioned in Note 2 to the standalone financial statements and according to the information and explanations given to us and the record examined by us and based on the examination of the latest title search report provided to us, we report that, the title deeds, comprising all

the immovable properties of land and buildings which are freehold, are held in the name of the Company;

(d) The Company has not revalued any of its Property Plant and Equipment or Intangible assets during the year. The Company does not have Right of Use Assets. Accordingly reporting under clause 3 (i) (d) of the Order, is not applicable to the Company;

(e) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company does not have any proceedings initiated or pending for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;

(ii) (a) Inventory has been physically verified by the management during the year and in our opinion the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in aggregate for each class of inventory which were noticed on such verification;

(b) The Company has been sanctioned working capital limits in excess of ₹5

crores in aggregate during the year from Banks on the basis of security of current assets. The discrepancies in quarterly filed returns or statements with the books of accounts are mentioned in Note 7 to the standalone financial statements;

(iii) (a) The Company has granted short term loans to its wholly owned subsidiary and employees during the year. The company has neither stood guarantee nor provided any security to any entity during the year;

(b) In our opinion, the investments made by the Company during the year are not, prejudicial to the Company’s interest;

(c) In respect of the loans granted, no schedule of repayment of principal and payment of interest has been stipulated;

(d) In respect of the loans granted, there is no amount overdue for a period if more than 90days;

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;



- (f) The details of loans granted which are repayable on demand during the year are as below:

Particulars	Amount (₹ In lakhs)
Loan to employees	35.41
Loan given to Wholly owned subsidiary	7.77
<b>Total</b>	<b>43.31</b>

- (iv) The Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of the loans granted and investments made during the year. The Company has not stood guarantee nor provided security to

any party during the year;

- (v) The Company has not accepted any deposits or the amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013;

- (vi) The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2016, and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013;

- (vii)(a) In our opinion the Company has been generally regular in depositing undisputed statutory dues, including Provident fund, employees state

insurance fund, Income tax, goods and service tax, Customs Duty, cess and other material statutory dues applicable to it with appropriate authorities. There were no undisputed amounts payable in respect of Provident fund, employees state insurance fund, Income tax, goods and service tax, Customs Duty, cess and other material statutory dues in arrears as at 31st March 2022 for a period of more than six months from the date they became payable;

- (b) Details of statutory dues referred to above which have not been deposited as on 31st March, 2022 on account of dispute are given below:

(Amount ₹ Lakhs)				
Name of the Statute	Nature of dues	Amount in dispute	Amount paid	Forum from where the dispute is pending
UP VAT Act, 2008	Disallowance of ITC	3.92	1.57	Additional Commissioner (Appeals), Grade 2 Commercial Tax, Ayodhya
	Entry Tax	3.61	2.06	
	Form C, H, I	3.17	1.52	
		1.42	0.72	
	ITC mismatch	9.43	4.66	High Court Allahabad, Lucknow Bench
	Demand on assessment	12.75	11.04	
Central Excise Act, 1944	VAT on purchase of paddy from unregistered parties	196.99	-	High Court Allahabad
		72.44	-	
	Lapse of balance available in account (Input and Service Tax)	238.88	-	
		111.57	-	

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961;	(x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under this clause is not applicable to Company;	in our opinion the Internal Audit system of the Company needs to be improved to cover more areas to make it commensurate with the size and nature of the business of the Company;
(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;	(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year;	(b) We have considered the report of the Internal auditors for the period under audit; issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;
(b) The company has not been a declared willful defaulter by any bank or other lenders during the year;	(xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year;	(xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Hence the provisions of section 192 of the Act, are not applicable;
(c) On an examination of the records of the Company, we report that during the year, the company has neither raised any term loans nor utilized any amount of the term loans which were availed in earlier years. Hence, reporting under clause 3(ix)(c) of the Order is not applicable;	(b) No report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors Rules), 2014 with the Central government during the year and upto the date of this report;	(xvi) (a) The Company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934); Accordingly reporting under clauses 3(xvi)(a), 3 (xvi)(b) and 3(xvi)(c) of the Order is not applicable;
(d) We report that the Company has not used the funds raised on short term basis have not been utilised for long term purposes;	(c) As represented by the Management, there are no whistle blower complaints received by the Company during the year;	(b) In our opinion there is no Core investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable;
(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Hence reporting under clause 3(ix)(e) of the Order is not applicable;	(xii) The Company is not a Nidhi Company. Accordingly reporting under clause 3(xii) of the Order is not applicable;	(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year;
(f) We report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.;	(xiii) The Company is in compliance with sections 177 and 188 of Companies Act, 2013 with respect to applicable transactions with related parties;  (xiv) (a) Based on the review of the reports of the Internal Auditors for the year,	

- (xviii) There has been no resignation of the statutory auditors during the year and in the immediately preceding financial year;
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying Standalone financial statements, and on our knowledge of the Board of the Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to

believe that there exists any material uncertainty as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing as the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on facts up to the date of the audit report and we neither give any guarantee nor assurance that all liabilities falling due within a period of one year from the Balance sheet date will get discharged

by the Company as and when they fall due;

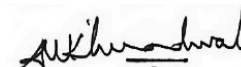
- (xx) (a) The Company is not required to transfer any unspent amount to a fund specified in Schedule VII of the Act for either than ongoing projects. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year;
- (b) The company does not have any unspent amount towards Corporate Social Responsibility (CSR) on ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year;

Place: Mumbai  
Date: 28th May 2022

For **C N K & Associates LLP**

*Chartered Accountants*

Firm Registration No: 101961W / W - 100036



**Himanshu Kishnadwala**

*Partner*

Membership No: 037391

UDIN: 2037391AJTYQY1853

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

#### Opinion

We have audited the internal financial controls over financial reporting of **YASH PAKKA LIMITED** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has except for strengthening of process of financial closure at year end, in all material respects, internal financial controls with reference to Standalone financial statements of the company and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022; based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining

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

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both

applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

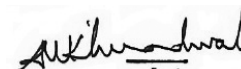
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place: Mumbai  
Date: 28th May 2022

For **C N K & Associates LLP**  
*Chartered Accountants*

Firm Registration No: 101961W / W - 100036



**Himanshu Kishnadwala**  
*Partner*

Membership No: 037391  
UDIN: 2037391AJTYQY1853



# Standalone Balance Sheet as at 31st March, 2022

		(₹ In Lakhs)	
Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	17,193.04	16,775.48
(b) Capital work-in-progress	3	1,798.04	608.20
(c) Goodwill	4	408.80	-
(d) Other intangible assets	4	79.44	35.07
(e) Investments in subsidiary company	5(A)	376.02	-
(d) Financial assets			
(i) Investments	5 (B)	0.18	0.14
(e) Other non current assets	6	446.89	314.42
<b>Total non current assets</b>		<b>20,302.41</b>	<b>17,733.31</b>
<b>Current Assets</b>			
(a) Inventories	7	7,876.45	5,984.05
(b) Financial assets			
(i) Loans	8	43.31	31.88
(ii) Trade receivables	9	2,253.57	1,541.48
(iii) Cash and cash equivalents	10	360.38	19.86
(iv) Bank balances other than (iii) above	11	576.32	316.08
(v) Other financial assets	12	135.99	159.89
(c) Current tax assets(net)	13	-	17.78
(d) Other current assets	14	1,148.65	436.57
<b>Total current assets</b>		<b>12,394.67</b>	<b>8,507.59</b>
<b>TOTAL ASSETS</b>		<b>32,697.08</b>	<b>26,240.90</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	15A	3,524.00	3,524.00
(b) Shares to be allotted	15B	283.85	-
(c) Other equity	16	12,955.65	9,481.32
<b>Total Equity</b>		<b>16,763.50</b>	<b>13,005.32</b>
<b>Liabilities</b>			
<b>(2) Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17A	2,905.02	3,692.46

# Standalone Balance Sheet as at 31st March, 2022

(₹ In Lakhs)			
Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
(ii) Other financial liabilities	18	270.25	270.25
(b) Deferred tax liabilities (net)	19	1,713.21	1,203.86
(c) Other non current liabilities	20	512.85	636.62
<b>Total non current liabilities</b>		<b>5,401.33</b>	<b>5,803.19</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17B	7,518.45	5,701.62
(ii) Trade payables	21		
(A) Total outstanding dues of small enterprises and micro enterprises		379.84	183.42
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises		713.16	570.16
(iii) Other financial liabilities	22	-	22.36
(b) Other current liabilities	23	1,442.13	605.54
(c) Provisions	24	478.67	349.29
<b>Total current liabilities</b>		<b>10,532.25</b>	<b>7,432.39</b>
<b>Total liabilities</b>		<b>15,933.58</b>	<b>13,235.58</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,697.08</b>	<b>26,240.90</b>

Significant Accounting Policies

1

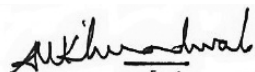
See accompanying notes from 2 to 50 forming part of the Standalone financial statements

As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022



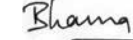
**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

## Statement of Standalone Profit & Loss for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I. Revenue from operations	25	29,108.63	18,365.09
II. Other income	26	813.25	1,132.87
<b>III. Total Income</b>		<b>29,921.88</b>	<b>19,497.96</b>
<b>IV. Expenses</b>			
Cost of materials consumed	27	11,746.92	7,009.69
Purchase of stock-in-trade		6.18	3.87
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(124.56)	157.37
Employee benefits expenses	29	3,557.01	2,794.32
Finance costs	30	936.26	1,094.53
Depreciation and amortization expenses	31	1,021.54	965.93
Other expenses	32	7,409.21	5,179.13
<b>Total Expenses (IV)</b>		<b>24,552.56</b>	<b>17,204.84</b>
<b>V. Profit before Tax (III - IV)</b>		<b>5,369.32</b>	<b>2,293.12</b>
<b>VI. Tax expense:</b>	33		
1. Current tax		980.00	411.50
2. Deferred tax		565.11	209.51
3. Tax adjustments relating to earlier years		4.19	-
<b>VII. Profit for the period (V - VI)</b>		<b>3,820.02</b>	<b>1,672.11</b>

# Statement of Standalone Profit & Loss for the year ended 31st March, 2021

(₹ In Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>VIII. Other comprehensive income</b>			-
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(67.51)	31.91
(ii) Income tax related to items that will not be reclassified to profit or loss		19.66	(9.29)
		<b>(47.85)</b>	<b>22.62</b>
<b>IX. Total comprehensive income for the period (VII - VIII)</b>		<b>3,772.17</b>	<b>1,694.73</b>
<b>X. Earnings per equity share</b>	34		
1. Basic		10.03	4.74
2. Diluted		10.03	4.74

Significant Accounting Policies

1

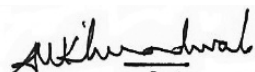
See accompanying notes from 2 to 50 forming part of the Standalone financial statements

As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022



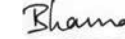
**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

# Statement of Standalone Cash Flow for the year ended 31st March, 2021

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	5,369.32	2,293.12
Adjustments for:		
Depreciation and amortization	1,021.54	965.93
Loss/ (profit) on sale of property, plant and equipment	188.64	14.37
Interest income	(112.20)	(136.44)
Finance cost	795.16	995.60
Remeasurement of net defined benefit plans	(67.51)	31.91
Net (gain) / loss on foreign exchange fluctuation	-	-
Net (gain)/ loss on investments measured at fair value through profit and loss	(0.04)	(0.03)
<b>Operating profit before working capital changes</b>	<b>7,194.91</b>	<b>4,164.46</b>
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
(Increase)/ decrease in Loans	(11.43)	-
(Increase)/ decrease in trade receivables	(712.09)	232.40
(Increase)/ decrease in inventories	(1,892.40)	(378.81)
(Increase)/ decrease in other financial assets	23.90	10.39
(Increase)/ decrease in other assets	(462.57)	(2.40)
Adjustment for increase/(decrease) in operating liabilities		
Increase/ (decrease) in trade payables	339.42	(93.65)
Increase/ (decrease) in other financial liabilities	(22.36)	(132.03)
Increase/ (decrease) in other liabilities	498.23	(586.77)
Increase/ (decrease) in provisions	129.09	0.66
<b>Cash generated from operations</b>	<b>5,084.70</b>	<b>3,214.25</b>
Income taxes refunded / (paid), net	(1,477.62)	(473.65)
<b>Net cash generated from operating activities</b>	<b>3,607.08</b>	<b>2,740.60</b>



# Statement of Standalone Cash Flow for the year ended 31st March, 2021

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, intangible assets (including capital work in progress and capital advance)	(2,925.78)	(1,364.61)
Proceeds from sale of property, plant and equipment	12.94	4.93
Interest received	112.20	136.44
Investments in Equity Contribution of wholly owned subsidiary Company -Yash Pakka INC	(376.06)	0.00
Acquired on account of business combination	129.95	0.00
Other bank balances (margin money)	(260.24)	62.72
<b>Net cash (used in) / generated from investing activities</b>	<b>(3,306.99)</b>	<b>(1,160.52)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/ (decrease) in long-term borrowings	(787.44)	(579.70)
Increase/ (decrease) in short-term borrowings	1,816.83	338.81
Issuance of equity shares	283.85	-
Premium on Security	-	-
Money received against warrant	-	0.00
Finance costs paid	(795.16)	(995.60)
Derivatives	-	0.00
Dividend paid	(352.40)	(352.40)
<b>Net cash used in financing activities</b>	<b>165.68</b>	<b>(1,588.89)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>465.77</b>	<b>(8.81)</b>
Cash and cash equivalents at the beginning of the year	19.86	28.67
<b>Cash and cash equivalents at the end of the year</b>	<b>485.63</b>	<b>19.86</b>

# Statement of Standalone Cash Flow for the year ended 31st March, 2021

## Note:

Reconciliation between cash and cash equivalents and cash and bank balances:

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash and cash equivalents as per cash flow statement	360.38	19.86
Add: Margin money deposits not considered as cash and cash equivalents	576.32	316.08
<b>Cash and bank balances</b>	<b>936.70</b>	<b>335.94</b>

## Notes to the statement of cash flows and disclosure of non cash transactions

In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the net profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

## Significant Accounting Policies (Refer Note 1)

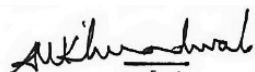
See accompanying notes from 2 to 50 forming part of the Standalone financial statements

As per our attached report of even date

For **C N K & Associates LLP**

*Chartered Accountants*

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

*Partner*

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

*Managing Director*

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

*Chief Financial Officer*

Place: Ayodhya

Date: 28th May 2022




**N K Agrawal**

*Director Works*

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

*Company Secretary*

Place: Mumbai

Date: 28th May 2022

## Standalone Statement of Changes in Equity for the year ended 31st March, 2022

### A. Equity Share Capital

		(₹ In Lakhs)
Particulars		Amount
Balance as on 1st April, 2020		3,524.00
Additions during the year		-
Balance as on 31st March, 2021		3,524.00
Additions during the year		-
Balance as on 31st March, 2022		3,524.00

### B. Other Equity

							(₹ In Lakhs)
Particulars	Other Equity					Total Equity	
	Capital Reserve	Reserves and Surplus		Retained Earnings	Other Comprehensive Income		
		Securities Premium	General Reserve				
Balance as on 1st April, 2021	37.32	1,172.16	550.00	7,785.56	(63.72)	9,481.32	
Additions during the year	-	-	-	-	(47.85)	(47.85)	
Acquisition through business combination	-	-	-	54.56	-	54.56	
Profit for the year	-	-	-	3,820.02	-	3,820.02	
Dividend Paid for the year ended 31st March, 2021	-	-	-	(352.40)	-	(352.40)	
Balance as on 31st March, 2022	37.32	1,172.16	550.00	11,307.74	(111.57)	12,955.65	

## Standalone Statement of Changes in Equity for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Other Equity					Total Equity
	Capital Reserve	Reserves and Surplus Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance as on 1st April, 2020	37.32	1,172.16	550.00	6,465.85	(86.34)	8,138.99
Additions during the year	-	-	-	-	22.62	22.62
Profit for the year	-	-	-	1,672.11	-	1,672.11
Dividend Paid for the year ended 31st March, 2020	-	-	-	(352.40)	-	(352.40)
Balance as on 31st March, 2021	37.32	1,172.16	550.00	7,785.56	(63.72)	9,481.32

Refer Note 15 for nature and purpose of reserves

Significant Accounting Policies Refer note 1

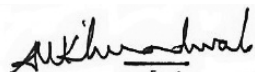
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As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036


**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board


**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022


**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022


**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022


**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Corporate Information

Yash Pakka Limited (Formerly known as “Yash Papers Limited”)(“YPL” or “the Company”) was founded in 1981. The Company is listed on BSE Limited. The Company is mainly engaged in the business of manufacture and dealing in Paper and Moulded products. The principal place of business of the Company is in Ayodhya, Uttar Pradesh, India.

### 1. Basis of Preparation:

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as “IndAS”) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act as amended.

The Standalone Financial Statements provide comparative information in respect of the previous period.

The company's presentation and functional currency is Indian rupees. All amounts in these Standalone Financial Statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in lakhs.

### Authorization of Standalone Financial Statements:

The Standalone Financial Statements were authorized for issue in accordance with a

resolution of the Board of Directors in its meeting held on 28th May, 2022.

### Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans where plan assets measured at fair value.

### 1.1. Use of Judgment and Estimates

The preparation of the Standalone Financial Statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of Standalone Financial Statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the

key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements are as below:

- Impairment of Financial Assets;
- Impairment of Non-Financial Assets;
- Impairment of Goodwill;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions and Contingencies;
- Estimation of current tax expense and tax payable.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Current versus non-current classification

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

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 1.2. Statement of Significant Accounting Policies

#### 1.2.1. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of an item of PPE comprises its purchase price net of any trade discounts and

rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

When significant parts of PPE are required to be replaced at intervals, company depreciates them separately based on their specific useful lives.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

#### Depreciation

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

PPE costing less than ₹ 5,000/- are fully depreciated in the year of capitalization.

Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions / deductions, as the case may be.

### Capital Work in Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

#### 1.2.2. Intangible Assets

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

#### Amortization

The above is amortized over a period of 5 years on Straight Line Basis.

#### Goodwill

Goodwill is initially recognized based on accounting policy for business combinations and tested for impairment annually

#### 1.2.3. Business Combination

Business Combinations are accounted for using the acquisition method as prescribed in Ind AS 103 Business Combinations of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values.

The cost of an acquisition is measured at the fair value of the assets transferred, equity

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

instruments issued, and liabilities assumed at their acquisition date i.e. the date on which control is acquired. Contingent consideration to be transferred is recognized at fair value and included as part of cost of acquisition. Transaction related costs are expensed in the period in which the costs are incurred.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any

### 1.2.4. Impairment of Non-Financial Assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or

group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### 1.2.5. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As a lessee

##### (A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

##### (B) Right-of-use assets

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.

#### Subsequent measurement

##### (A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

##### (B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

#### Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

#### 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.

Lease income is recognized in the statement of profit and loss on straight line basis over the lease term.

### 1.2.6. Investment in subsidiaries

The Company has elected to recognize its investments in Subsidiary Company as Cost in

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

accordance with the option available in Ind AS 27 'Separate Financial Statements'.

### 1.2.7. Inventories

Cost includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebates and discounts, if any. Net realizable value is the estimated selling price in the ordinary course of business.

Inventories other than Scrap are valued at lower of cost and net realized value.

### 1.2.8. Revenue Recognition

In accordance with Ind AS 115, Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

The specific recognition criteria described below are also to be met before revenue is recognized.

Revenue is measured based on the transaction price as specified in the contract with the customer. In determining the transaction price, the Company considers below, if any:

#### (i) Variable consideration

This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

#### (ii) Contract modifications

These are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods or services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Goods or services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

#### Sale of Goods

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from sales of goods is recognized at the point in time when control is transferred to the customer, based on the contracts with the customers.

Sale of goods are net of returns, allowances, trade discounts, cash discounts and volume rebates. Export sales are recognized on the issuance of Bill of Lading/ Airway bill by the carrier.

#### Income from Export incentives

Income from export incentives such as duty drawback are recorded on accrual basis in accordance with the terms of the respective schemes. Policy for other export benefits is as stated in Note 1.2.12 below.

#### Dividend income

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

#### Interest income

Interest income is recognized using the effective interest rate (EIR) method.

#### Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

#### Other Income

Other income is accounted for on accrual

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

### 1.2.9. Employee benefits

#### i) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

#### Retirement benefit costs

The Company has both defined-contribution and defined-benefit plans, of which some have assets in special funds or securities. The plans are financed by the Company.

#### ii) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

#### Defined-contribution plans

These are plans in which the Company pays pre-defined amounts to separate

funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

#### Defined-benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment cost. The

retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

#### Other long-term employee benefits

Compensated absences which accrue to employees, and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

### 1.2.10. Expenditure on Research and Development

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as PPE.

### 1.2.11. Foreign Currency Transactions

#### Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

### Non – Monetary items

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

### 1.2.12. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to PPE are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

The export incentives received by the Company such as duty draw back, Merchandise Export from India Scheme (MEIS) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

### 1.2.13. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Standalone Financial Statements.

Contingent assets are not recognized but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### 1.2.14. Fair Value measurement

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

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

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

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

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

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

### 1.2.15. Financial Assets

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery

of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

#### Debt instruments at amortized cost

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium

on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

#### Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

and other net gains and losses are recognized in the Statement of Profit and Loss.

### Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, YPL decides to classify the same either as at FVTOCI or FVTPL. YPL makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - The Company has transferred substantially all the risks and rewards of the asset, or
  - The Company has neither transferred nor

retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

### 1.2.16. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured

and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

### 1.2.17. Financial Liabilities

#### Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

### Financial Liabilities at amortized cost

Financial liabilities classified and measured at amortized cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

### Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognized in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the

contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the Standalone Financial Statement for issue, not to demand payment as a consequence of the breach.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 1.2.18. Borrowing Cost

Borrowing costs directly attributable to the construction or production of a qualifying asset are capitalized during the period of time that is required for the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 1.2.19. Taxes on Income

#### Current and Deferred Tax

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry

forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

#### Unused tax credit

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as a deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

### 1.2.20. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of

equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 1.2.21. Cash and Cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 1.2.22. Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 1.2.23. Segment Reporting

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.

### 1.2.24. Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders

and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the Standalone Financial statements

- **Indian Accounting Standard (Ind AS) 103– Business Combinations** – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to

recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

- **Indian Accounting Standard (Ind AS) 109 – Financial Instruments** – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities
- **Indian Accounting Standard (Ind AS) 16 – Property, Plant and Equipment** – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- **Indian Accounting Standard (Ind AS) 37 – Provisions, Contingent Liabilities and Contingent Assets** – Modifications in application of recognition and measurement principles relating to onerous contracts

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 2. Property, plant and equipment

(₹ In Lakhs)

Particulars	Freehold land	Leasehold land	Factory buildings	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
<b>Gross carrying value</b>										
<b>As at 1st April, 2021</b>	349.37	181.25	2,751.16	404.91	15,844.76	42.17	166.19	133.49	911.08	20,784.38
Additions	-	-	76.25	-	1,313.04	2.72	97.10	35.92	24.80	1,549.83
Deletions	-	-	10.64	6.67	543.74	24.38	26.20	45.48	187.66	844.77
Acquisition through business combination (Refer Note 41)	-	-	-	-	62.68	0.15	-	9.17	-	72.00
<b>As at 31st March, 2022</b>	<b>349.37</b>	<b>181.25</b>	<b>2,816.77</b>	<b>398.24</b>	<b>16,676.74</b>	<b>20.66</b>	<b>237.09</b>	<b>133.10</b>	<b>748.22</b>	<b>21,561.44</b>
<b>Accumulated Depreciation</b>										-
<b>As at 1st April, 2021</b>	-	16.47	508.67	24.81	2,906.46	16.42	55.58	77.48	403.01	4,008.90
Additions	-	2.32	101.93	7.01	766.47	5.74	24.03	22.65	67.64	997.79
Deletions	-	-	7.17	6.24	378.41	23.16	16.50	42.77	169.04	643.29
Acquisition through business combination (Refer Note 41)	-	-	-	-	0.03	0.09	-	4.87	-	4.99
<b>As at 31st March, 2022</b>	<b>-</b>	<b>18.79</b>	<b>603.43</b>	<b>25.58</b>	<b>3,294.55</b>	<b>(0.91)</b>	<b>63.11</b>	<b>62.23</b>	<b>301.61</b>	<b>4,368.39</b>
<b>Net Carrying amount</b>										
<b>As at 1st April, 2021</b>	<b>349.37</b>	<b>164.78</b>	<b>2,242.49</b>	<b>380.10</b>	<b>12,938.30</b>	<b>25.75</b>	<b>110.61</b>	<b>56.01</b>	<b>508.07</b>	<b>16,775.48</b>
<b>As at 31st March, 2022</b>	<b>349.37</b>	<b>162.46</b>	<b>2,213.35</b>	<b>372.66</b>	<b>13,382.19</b>	<b>21.57</b>	<b>173.99</b>	<b>70.87</b>	<b>446.61</b>	<b>17,193.04</b>

### 2. Property, plant and equipment

(₹ In Lakhs)

Particulars	Freehold land	Leasehold land	Factory buildings	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
<b>As at 1st April, 2020</b>	<b>278.53</b>	<b>181.25</b>	<b>2,677.81</b>	<b>404.91</b>	<b>15,019.33</b>	<b>35.10</b>	<b>163.82</b>	<b>102.95</b>	<b>876.46</b>	<b>19,740.16</b>
<b>Additions</b>	70.84	-	73.35	-	845.43	7.07	2.47	31.63	38.50	1,069.29
Deletions	-	-	-	-	20.00	-	0.10	1.09	3.88	25.07
Reclassifications	-	-	-	-	-	-	-	-	-	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)										
Particulars	Freehold land	Leasehold land	Factory buildings	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
As at 31st March, 2021	349.37	181.25	2751.16	404.91	15844.76	42.17	166.19	133.49	911.08	20,784.38
Accumulated Depreciation										
As at 1st April, 2020	-	14.28	401.79	17.80	2,178.26	12.39	35.53	61.15	340.68	3,061.88
Additions	-	2.19	106.88	7.01	730.10	4.03	20.12	17.10	65.36	952.79
Deletions	-	-	-	-	1.90	-	0.07	0.77	3.03	5.77
As at 31st March, 2021	-	16.47	508.67	24.81	2906.46	16.42	55.58	77.48	403.01	4,008.90
Net Carrying amount										
As at 1st April, 2020	278.53	166.97	2,276.02	387.11	12,841.07	22.71	128.29	41.80	535.78	16,678.28
As at 31st March, 2021	349.37	164.78	2,242.49	380.10	12,938.30	25.75	110.61	56.01	508.07	16,775.48

### (i) Leased Assets

The lease term in respect of assets acquired under finance leases expires within 60-73 years.

### (ii) Assets given as security for borrowings

All the items of property, plant and equipment of the Company have been given to lenders as security for various borrowing facilities. (Refer Note 17)

### (iii) Impairment

The Company has assessed recoverable amount of its property, plant and equipment by estimating its value in use. Based on the aforementioned assessment it has been concluded that the recoverable amount is higher than the respective carrying amount.

### (iv) Other Notes:

- Property, Plant and Equipment values are carried in the financial statement on their Historic value (Cost of Acquisition).
- No revaluation has been carried out as per Rule 2 of the Companies Act, 2013.
- For capital commitments, Refer Note 45
- The Company has not revalued any of its Property, plant and equipment and intangible assets during the year.
- Title deeds of all immovable properties of land and buildings which are freehold are in the name of the Company.



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 3. Capital work in progress (CWIP)

(₹ In Lakhs)	
Particulars	Amount
Gross carrying value	
As at 1st April, 2021	608.20
Additions	1,189.84
<b>As at 31st March, 2022</b>	<b>1,798.04</b>

(₹ In Lakhs)	
Particulars	Amount
As at 1st April, 2020	462.05
Additions	146.15
<b>As at 31st March, 2021</b>	<b>608.20</b>

#### Details of CWIP as on 31st March 2022

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	1,461.73	197.70	138.60	-	1,798.04
Projects temporarily suspended	-	-	-	-	-

#### Details of CWIP as on 31st March 2021

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	390.17	218.03	-	-	608.20
Projects temporarily suspended	-	-	-	-	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 4. Goodwill and other intangible assets

(₹ In Lakhs)		
Particulars	Goodwill (Refer Note 4(a))	Computer software
<b>Gross carrying value</b>		
As at 1st April, 2021	-	119.34
Additions	408.80	65.65
Deletions	-	0.20
<b>As at 31st March, 2022</b>	<b>408.80</b>	<b>184.79</b>
<b>Impairment/ Amortisation</b>		
As at 1st April, 2021	-	84.27
Additions	-	21.18
Deletions	-	0.10
<b>As at 31st March, 2022</b>	<b>-</b>	<b>105.35</b>
<b>Net Carrying amount</b>		
As at 1st April, 2021	-	35.07
<b>As at 31st March, 2022</b>	<b>408.80</b>	<b>79.44</b>

**Note 4(a):** The Company tests goodwill on an annual basis and whenever there is an indication that the Cash Generating Unit (CGU) to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal.

In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable.

Apart from the observable market information, significant management estimates and judgments are used to determine the recoverable amounts based on value-in-use. Key assumptions on which management has based its determination of recoverable amount includes estimated growth rates (including terminal growth rates), margins and discount rates.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)	
Particulars	Computer software
<b>Gross carrying value</b>	
As at 1st April, 2020	109.16
Additions	10.18
Deletions	-
<b>As at 31st March, 2021</b>	<b>119.34</b>
<b>Amortisation</b>	
As at 1st April, 2020	71.12
Additions	13.15
Deletions	-
<b>As at 31st March, 2021</b>	<b>84.27</b>
<b>Net Carrying amount</b>	
As at 1st April, 2020	38.04
<b>As at 31st March, 2021</b>	<b>35.07</b>

### 5A. Investment in Subsidiary

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Investment in wholly owned subsidiary companies (Fully paid up) (at cost) - unquoted</b>		
50,000 (P.Y.: Nil) equity shares of \$ 10 each of Pakka Inc., USA	376.02	-
<b>Total</b>	<b>376.02</b>	<b>-</b>
<b>Aggregate amount of quoted investments and market value thereof</b>	-	-
<b>Aggregate amount of unquoted investments</b>	376.02	-
<b>Aggregate amount of impairment in value of investments</b>	-	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 5B. Investments - Financial Assets

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Investments at fair value through profit and loss</b>		
<b>Investment in equity shares (quoted, fully-paid up)</b>		
500 (P.Y.: 500) equity shares of ₹ 2/- each of AMJ Land Holdings Limited	0.15	0.12
100 (P.Y.: 100) equity shares of ₹ 10/- each of Rana Mohendra Papers Limited [₹ 380 (P.Y. ₹ 380)]	0.00	0.00
100 (P.Y.: 100) equity shares of ₹ 10/- each of Mukerian Papers Limited	0.01	0.01
25 (P.Y.: 25) equity shares of ₹ 10/- each of Shree Rama Newsprint & Papers Limited	0.02	0.02
<b>Total</b>	<b>0.18</b>	<b>0.14</b>
<b>Aggregate amount of quoted investments and market value thereof</b>	<b>0.18</b>	<b>0.14</b>
<b>Aggregate amount of unquoted investments</b>	-	-
<b>Aggregate amount of impairment in value of investments</b>	-	-

### 6. Other non current assets

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital Advance	381.17	222.54
Deferred Revenue from EPCG licenses	36.43	57.24
Others	29.29	34.64
<b>Total</b>	<b>446.89</b>	<b>314.42</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 7. Inventories

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>At lower of cost and net realizable value</b>		
Raw Materials	4,696.40	3,257.28
Work in Progress	41.02	75.96
Finished Goods	977.39	817.51
Traded goods	14.52	17.57
Pulp	1.45	1.75
Store and Spares	2,131.30	1,809.98
Scrap	8.84	4.00
Acquisition through business combination (Refer Note 41)	5.53	-
<b>Total</b>	<b>7,876.45</b>	<b>5,984.05</b>

(i) The mode of valuation of inventory has been stated in Note 1.2.7

(ii) Inventories have been pledged as security for borrowings (Refer Note 17)

(iii) There has been a write down of inventories of ₹ 8.42 lakhs which is recognised as an expense during the year.

### 8. Loans

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Considered good - secured	-	-
Considered good - unsecured*	43.31	31.88
With significant increase in credit risk	-	-
Credit impaired	-	-
Less: Loss allowance	-	-
<b>Total</b>	<b>43.31</b>	<b>31.88</b>

\* includes loans to employees of ₹ 35.54 lakhs

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 8A.Loans or advances in nature of loans to Related Parties

(₹ In Lakhs)

Particulars	For the year ending 31st March 2022		For the year ending 31st March 2021	
	Amount of loan or advance in the nature of loan outstanding	% to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% to the total loans and advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Parties - Wholly owned subsidiary	7.77	18%	-	-

### 9. Trade receivables

(₹ In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Considered good - secured	-	-
Considered good - unsecured*	1,524.83	1,490.83
With significant increase in credit risk	186.59	131.96
Credit impaired	-	-
Acquisition through business combination (Refer Note 41)	637.06	-
Less: Loss allowance	(94.91)	(81.31)
<b>Total</b>	<b>2,253.57</b>	<b>1,541.48</b>

\* includes ₹ 30.90 lakhs (P.Y. ₹ 396.08 lakhs) receivable from related parties. (Refer note 36).



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

As at 31st March 2022

(₹ In Lakhs)						
Particulars	less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	Above 3 Years	Total
Undisputed Trade Receivables- Considered Good	1,106.03	1,039.46	0.65	15.75	-	2,161.89
Undisputed Trade Receivables- Which Have Significant Risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Which Have Significant Risk	-	-	-	-	186.59	186.59
Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,106.03</b>	<b>1,039.46</b>	<b>0.65</b>	<b>15.75</b>	<b>186.59</b>	<b>2,348.48</b>

As at 31st March 2021

(₹ In Lakhs)						
Particulars	less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	Above 3 Years	Total
Undisputed Trade Receivables- Considered Good	1,413.02	5.79	1.28	16.11	-	1,436.20
Undisputed Trade Receivables- Which Have Significant Risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Which Have Significant Risk	-	-	-	-	186.59	186.59
Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,413.02</b>	<b>5.79</b>	<b>1.28</b>	<b>16.11</b>	<b>186.59</b>	<b>1,622.79</b>

9.1 Following are the details for the trade receivables whose credit risk has been assessed individually

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Assessed credit risk on an individual basis	186.60	131.96
Less: Loss allowance on above	(93.30)	(65.98)
<b>Total</b>	<b>93.30</b>	<b>65.98</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 9.2 The average credit period for collection for paper division 20 days and for moulded division 30 days

Refer Note 37 (a) & (b) for information about credit risk and market risk of trade receivables.

### 10. Cash and cash equivalents

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Balances with banks in current accounts	292.98	12.29
Cash in hand	15.71	7.57
Acquisition through business combination (Refer Note 41)	51.69	-
<b>Total</b>	<b>360.38</b>	<b>19.86</b>

### 11. Bank balances other than cash and cash equivalents

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Unpaid dividend account	25.78	17.45
Margin money deposits (restricted, held as lien against bank guarantees)	550.54	298.63
<b>Total</b>	<b>576.32</b>	<b>316.08</b>

### 12. Other financial assets - current

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due	7.87	10.88
Export incentives receivable	125.53	148.01
Security Deposits	2.59	1.00
<b>Total</b>	<b>135.99</b>	<b>159.89</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 13. Current tax assets (net)

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Taxes paid in advance (net of provision)	-	17.78
	-	<b>17.78</b>

### 14. Other current assets

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances to vendors	471.93	215.84
Indirect Taxes recoverable	451.32	234.22
Others	194.52	143.63
Acquisition through business combination (Refer Note 41)	30.88	-
<b>Total</b>	<b>1,148.65</b>	<b>593.69</b>

### 15A. Equity share capital

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Authorised equity share capital</b>		
<b>Equity shares</b>		
5,60,00,000 (P.Y.: 5,60,00,000) Equity shares of ₹10/- each	5,600.00	5,600.00
<b>Preference shares</b>		
4,00,000 (P.Y.: 4,00,000) Equity shares of ₹100/- each	400.00	400.00
<b>Total</b>	<b>6,000.00</b>	<b>6,000.00</b>
<b>Issued, subscribed and fully paid up</b>		
<b>Equity shares</b>		
3,52,40,000 (P.Y.: 3,52,40,000) Equity shares of ₹10/- each	3,524.00	3,524.00
<b>Total</b>	<b>3,524.00</b>	<b>3,524.00</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 15B. Equity shares to be allotted

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Equity shares to be allotted		
28,38,500 (P.Y.: Nil) Equity shares of ₹10/- each	283.85	-
<b>Total</b>	<b>283.85</b>	<b>-</b>

#### (i) Movements in equity share capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of shares	No. of shares
Opening Balance	3,52,40,000	3,52,40,000
Issued during the year *	28,38,500	-
<b>Closing Balance</b>	<b>3,80,78,500</b>	<b>3,52,40,000</b>

\* Represents shares to be allocated to shareholders of Yash Compostables Limited on account of merger (Refer Note 41)

#### (ii) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Details of shareholders holding more than 5% shares in the company:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of shares	No. of shares
Ved Krishna	1,38,44,388	1,10,39,950
% of Share	36.36%	31.33%
Satori Global Limited	33,34,500	33,34,500
% of Share	8.76%	9.46%

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### (iv) For the period of 5 years immediately preceding the date as at which the Balance sheet is prepared:

- (a) No shares have been allotted as fully paid up pursuant to the contracts without payments being revised in cash
- (b) No bonus shares have been allotted
- (c) No shares have been bought back

### (v) Number of shares held by Promoters\*

Name of Promoters	No of shares held at the end of the year 31st March 2022		No of shares held at the end of the year 31st March 2021	
	No of shares	% of total shares	No of shares	% of total shares
Mr. Ved Krishna	1,38,44,388	36.36%	1,10,39,950	31.33%
Satori Global Limited	33,34,500	8.76%	33,34,500	9.46%
Yash Agro Products Limited	9,68,640	2.54%	9,68,640	2.75%
Mrs. Manjula Jhunjunwala	5,51,066	1.45%	5,51,066	1.56%
Krishna Kumar Jhunjunwala (HUF)	16,000	0.04%	16,000	0.05%

\* Represents shares to be allocated to shareholders of Yash Compostables Limited on account of merger (Refer Note 41)

## 16. Other equity

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Capital Reserve	37.32	37.32
Securities Premium	1,172.16	1,172.16
General Reserve	550.00	550.00
Retained Earnings	11,253.18	7,785.56
Acquisition through business combination	54.56	-
Other Comprehensive Income	(111.57)	(63.72)
<b>Total</b>	<b>12,955.65</b>	<b>9,481.32</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 16.1 The movement in other equity

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Capital Reserve</b>		
Balance at the beginning of the year	37.32	37.32
Add: transferred during the year	-	-
<b>Balance at the end of the year</b>	<b>37.32</b>	<b>37.32</b>
<b>Securities Premium</b>		
Balance at the beginning of the year	1,172.16	1,172.16
Add: transferred during the year	-	-
<b>Balance at the end of the year</b>	<b>1,172.16</b>	<b>1,172.16</b>
<b>General Reserve</b>		
Balance at the beginning of the year	550.00	550.00
Add: transferred during the year	-	-
<b>Balance at the end of the year</b>	<b>550.00</b>	<b>550.00</b>
<b>Retained Earnings</b>		
Balance at the beginning of the year	7,785.56	6,465.85
Acquisition through business combination	54.56	-
Add: Profit for the year	3,820.02	1,672.11
Less: Dividend paid	352.40	352.40
Less: Dividend Tax paid	-	-
<b>Balance at the end of the year</b>	<b>11,307.74</b>	<b>7,785.56</b>
<b>Other Comprehensive Income</b>		
Balance at the beginning of the year	(63.72)	(86.34)
Add: Profit for the year	(47.85)	22.62
<b>Balance at the end of the year</b>	<b>(111.57)</b>	<b>(63.72)</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 16.2 Nature and Purpose of Reserves

**Capital Reserve:** Capital reserve includes the amount retained towards the forfeiture of equity and preferential warrants. This reserve will be utilized in accordance with the provisions of the Act.

**Securities Premium:** Securities premium reserve is on account of premium on issue of shares. This reserve will be utilized in accordance with the provisions of the Act.

**General Reserve:** It has been created out of profits of earlier years.

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Other Comprehensive Income:** This includes actuarial gains/ (losses) on employee benefit obligations.

### 16.3. Dividend distribution made and proposed

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
	No. of shares	No. of shares
<b>Dividend on equity shares declared and paid</b>		
Final dividend for the year ended 31st March 2021 Re. 1 per share (P.Y.: Re. 1 per share)	352.40	352.40
<b>Total</b>	<b>352.40</b>	<b>352.40</b>
<b>Proposed dividend on equity shares</b>		
Final dividend proposed for the year ended 31st March 2022 ₹ 2 per share (P.Y.: Re. 1 per share)	761.57	352.40
<b>Total</b>	<b>761.57</b>	<b>352.40</b>

Proposed dividend on equity shares is subject to approval at the Annual General Meeting and is not recognised as a liability as at 31st March 2022.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 17. Borrowings

#### (A) Long term borrowings

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>		
Term loans from banks	2,448.70	3,253.51
<b>Unsecured</b>		
From related parties	456.32	438.95
<b>Total</b>	<b>2,905.02</b>	<b>3,692.46</b>

Refer Note 17.1 for security details

#### (B) Short term borrowings

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>		
Working capital loans from banks	6,864.35	4,158.35
Current maturities on long term borrowings	654.10	1,543.27
<b>Total</b>	<b>7,518.45</b>	<b>5,701.62</b>

#### 17.1. Repayment terms:

- a) **Secured rupee term loans from banks:** Structured Quarterly Instalments.
- b) **Loan from Pradeshiya Industrial & Investment Corporation of UP Limited (PICUP):** Bullet repayment at the end of tenure of loan i.e. F.Y. 2024.  
The loan interest free.
- c) **Loan from related parties:** Repayable after bank secured term loan is repaid

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

**d) Scheduled repayments:** Contractual repayments in case of loans from banks:

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Within one year	7,518.45	5,701.62
Between one to five years*	3,049.08	3,207.46
Over five years*	152.07	152.07

\*The above excludes Ind AS adjustments

**e) Interest rates:** Loans availed from banks carry interest rate ranging from 7.00% to 9.45%.

Refer note 36(b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.

**f) Security details:-**

Term Loans from Banks are secured by

- i. First pari-passu charge by hypothecation of all Immovable Properties and property, plant and equipment both present and future of the company. [including equitable mortgage of land property & building]
- ii. Second pari passu charge on entire current assets (present and future) of the company with 2nd charge over entire property, plant and equipment [present and future] of the company ceded to working capital bankers/ lenders (including Letters of Credit and Letters of Guarantees).
- iii. Personal guarantee of Promoter Directors of the company
- iv. Corporate guarantee of Yash Agro Products Limited and Satori Global Limited.
- v. 100% pledge of promoter's shareholding in the Company in favour of the lenders."

**g) Term Loan and working capital loans** availed from Banks has been utilised for the purpose they have been received.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### h) Borrowing Secured Against Current Assets As at 31st March 2022

(₹ In Lakhs)						
Name of the Bank	Quarter ended	Details of security provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reasons for Material Discrepancies
Consortium Bankers Led By State Bank of India	30-Jun-21	Inventory	5,649.71	5,649.71	-	-
		Receivable upto 6 Month	1,762.51	1,762.51	-	-
	30-Sep-21	Inventory	4,060.11	4,060.11	-	-
		Receivable upto 6 Month	1,997.23	1,997.23	-	-
	31-Dec-21	Inventory	4,614.80	4,614.80	-	-
		Receivable upto 6 Month	2,777.60	2,777.60	-	-
	31-Mar-22	Inventory	7,876.46	7,876.46	-	-
		Receivable upto 6 Month	2,050.05	2,050.05	-	-

### As at 31st March 2021

(₹ In Lakhs)						
Name of the Bank	Quarter ended	Details of security provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reasons for Material Discrepancies
Consortium Bankers Led By State Bank of India	30-Jun-20	Inventory	6,045.95	6,045.95	-	-
		Receivable upto 6 Month	1,629.95	1,629.95	-	-
	30-Sep-20	Inventory	5,200.90	5,200.90	-	-
		Receivable upto 6 Month	1,432.73	1,432.73	-	-
	31-Dec-20	Inventory	5,085.49	5,085.49	-	-
		Receivable upto 6 Month	1,811.36	1,811.36	-	-
	31-Mar-21	Inventory	5,984.05	5,984.05	-	-
		Receivable upto 6 Month	1,331.71	1,331.71	-	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 18. Other financial liabilities

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Security deposits from customers	270.25	270.25
<b>Total</b>	<b>270.25</b>	<b>270.25</b>

### 19. Deferred tax liabilities (net)

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Tax effect of items constituting deferred tax liability</b>		
On difference between book balance and tax balance of PPE	2,395.04	2,344.43
<b>Tax effect of items constituting deferred tax liability</b>	<b>2,395.04</b>	<b>2,344.43</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Provision on employee benefits	139.38	101.71
Carried forward depreciation and business loss	-	0.00
Unused tax credit (MAT)	665.32	1,094.06
Interest to bank	-	63.20
Others	(158.92)	(118.40)
Acquisition through business combination (Refer Note 41)	36.05	-
<b>Tax effect of items constituting deferred tax assets</b>	<b>681.83</b>	<b>1,140.57</b>
<b>Total</b>	<b>1,713.21</b>	<b>1,203.86</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 20. Other non current liabilities

	(₹ In Lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Revenue:		
Capital Subsidy	32.00	36.00
Government loan under PICUP scheme	178.46	228.06
EPCG obligation	302.39	372.56
<b>Total</b>	<b>512.85</b>	<b>636.62</b>

### 21. Trade Payables

	(₹ In Lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Trade payables:</b>		
- Dues to micro and small enterprises	364.49	183.42
- Other than micro and small enterprises	678.98	570.16
Acquisition through business combination (Refer Note 41)	49.53	-
<b>Total</b>	<b>1,093.00</b>	<b>753.58</b>

#### 21.1 Disclosure under Section 22 of Micro, Small and Medium enterprises development (MSMED Act, 2006)

	(₹ In Lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
Principal amount due and remaining unpaid	364.49	183.42
Principal amount due and remaining unpaid: Acquisition through business combination (Refer Note 41)	15.35	-
Interest due and unpaid on the above amount	-	-
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	-	-



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

The above is based on the intimation received from its vendors regarding the status under Micro, Small and Medium enterprises development (MSMED Act, 2006), except as stated above. The above information is based on the information complied by the Company and relied upon by the auditors.

### 21.2 Trade payables

#### For the year ended 31st March 2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	361.22	18.62	-	-	-	379.84
Others	436.49	266.05	5.00	5.62	0	713.16
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

#### For the year ended 31st March 2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	174.12	9.30	-	-	-	183.42
Others	392.77	167.55	7.47	2.37	-	570.16
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 22. Other financial liabilities

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current maturities of long term borrowings	-	-
Interest accrued but not due on borrowings	-	22.36
<b>Total</b>	<b>-</b>	<b>22.36</b>

\*Includes Interest payable to related party ₹ Nil (P.Y 21.85 lakh) is paid at 10% p.a. Refer note 36.

### 23. Other current liabilities

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current maturities on deferred revenue on capital subsidy	4.00	4.00
Advance from customers	440.90	157.12
Statutory liabilities	375.36	103.56
Payable on capital goods	157.83	55.60
Unpaid dividend	27.16	17.45
Taxes paid (Net of taxes paid in advance)	53.90	-
Others	324.52	267.81
Acquisition through business combination (Refer Note 41)	58.46	-
<b>Total</b>	<b>1,442.13</b>	<b>605.54</b>

### 24. Provisions

(₹ In Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Provision for employee benefits</b>		
Provision for Gratuity	136.12	27.57
Provision for Leave Encashment	75.84	76.01
Provision for Bonus	266.71	245.71
<b>Total</b>	<b>478.67</b>	<b>349.29</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 25. Revenue from operations

(₹ In Lakhs)		
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Sale of Products</b>		
<b>Paper, Pulp and related products</b>		
Within India	19,377.99	13,729.17
Outside India	6,782.48	3,014.14
<b>Moulded Products</b>		
Within India*	2,888.55	1,557.84
Outside India	59.61	63.94
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>

\*Refer note 36 for sales to Related parties

### 26. Other income

(₹ In Lakhs)		
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest received on fixed deposit and others	112.20	136.44
Export incentives*	468.83	825.96
Remeasurement of defined benefit plans	-	32.44
Investments measured at FVTPL	0.04	0.03
Profit on sale of property, plant and equipment	3.28	3.40
Excess provision for expenses written back	-	-
Net Gain on foreign currency translation	82.15	14.26
Miscellaneous income	146.75	120.34
<b>Total</b>	<b>813.25</b>	<b>1,132.87</b>

\* ₹ 309.44 lakhs (P.Y. ₹ 692.35 lakh) has been received against the fulfilment of export obligation under EPCG scheme.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 27. Cost of materials consumed

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw material consumed	6,556.03	3,664.21
Chemicals consumed	2,988.66	1,827.42
Stores & spares consumed	1,419.84	1,078.85
Packing materials consumed	782.39	439.21
<b>Total</b>	<b>11,746.92</b>	<b>7,009.69</b>

### 28. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Opening Stock</b>		
Finished Goods*	823.12	986.11
Pulp	1.75	27.08
Work in Progress	75.96	39.40
<b>Total Opening Stock</b>	<b>900.83</b>	<b>1,052.59</b>
<b>Closing Stock</b>		
Finished Goods*	982.92	817.51
Pulp	1.45	1.75
Work in Progress	41.02	75.96
<b>Total Closing Stock</b>	<b>1,025.39</b>	<b>895.22</b>
<b>Total</b>	<b>(124.56)</b>	<b>157.37</b>

\* Includes Kraft paper, poster paper, moulded products and pulp

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 29. Employee benefit expenses

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salary, wages, bonus and incentives	2,873.11	2,132.06
Directors remuneration*	342.63	352.90
Contribution to provident and other funds	129.29	121.07
Defined benefit plan expenses	65.53	50.10
Workmen and staff welfare expenses	146.45	138.19
<b>Total</b>	<b>3,557.01</b>	<b>2,794.32</b>

\* Refer note 36 for payments made to Related parties

### 30. Finance costs

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on		
- Term loan	428.24	644.70
- Others	366.92	350.90
Net loss on foreign currency translation and transactions	39.75	-
Bank and documentation charges	101.35	98.93
<b>Total</b>	<b>936.26</b>	<b>1,094.53</b>

### 31. Depreciation and amortisation expense

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on property, plant and equipment	1,000.35	952.78
Amortisation on intangible assets	21.19	13.15
<b>Total</b>	<b>1,021.54</b>	<b>965.93</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 32. Other expenses

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Operating Expenses</b>		
Power and Fuel	3,365.32	2,758.13
Effluent Treatment Expenses	116.71	70.63
Repairs and Maintenance		
- Building	58.29	75.39
- Machinery	251.39	330.25
- Others	224.13	323.59
Freight, Handling and Other Sales and Distribution expenses	1,640.00	581.59
Commission on sales	188.84	123.48
<b>Others</b>		
Rent	37.82	24.50
Insurance	102.30	70.13
Travelling and Conveyance	170.36	116.85
Legal, professional and consultation charges	497.82	321.84
Auditor's Remuneration (Refer Note 32a)	11.20	8.73
Subscription and Donation	62.76	40.19
Amortisation of deferred income on EPCG license	20.82	20.82
Research and development expenses	84.79	14.39
Printing and Stationery	39.34	15.66
Communication cost	36.01	20.83
Advertisement and Publicity	15.78	21.23
Business Promotion Expenses	106.23	29.24
Loss on Assets Sold / Discarded/scrapped	191.92	17.77
Loss on sale of export incentives	7.89	-
Provision for impairment of non financial assets	27.11	-
Provision on doubtful receivables and others	43.52	85.48
CSR Expenditure (Refer Note 43)	47.00	70.00
Miscellaneous Expenses	61.86	38.41
<b>Total</b>	<b>7,409.21</b>	<b>5,179.13</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Note 32a:

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
As Auditors	6.75	4.75
For Limited Review	3.75	3.00
For certification	0.70	0.98
<b>Total</b>	<b>11.20</b>	<b>8.73</b>

### 33. Tax Expenses

#### (a) Amounts recognized in profit and loss

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Current tax expense</b>		
Current year	980.00	411.50
Changes in estimates relating to prior years	4.19	0.00
<b>Total</b>	<b>984.19</b>	<b>411.50</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	565.11	209.51
<b>Total</b>	<b>565.11</b>	<b>209.51</b>
<b>Tax expense recognized in the income statement</b>	<b>1,549.30</b>	<b>621.01</b>

#### (b) Amounts recognized in other comprehensive income

Particulars	(₹ In Lakhs)					
	For the year ended 31st March, 2022			For the year ended 31st March, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of defined benefit plans	(67.51)	19.66	(47.85)	31.91	(9.29)	22.62
	(67.51)	19.66	(47.85)	31.91	(9.29)	22.62

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### (c) Reconciliation of effective tax rate

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	%	Amount	%	Amount
<b>Profit before tax</b>		<b>5,371.27</b>		2,293.12
Tax using the Company's domestic tax rate	29.12%	1,564.11	29.12%	667.76
<b>Tax effect of:</b>				
Due to permanent differences	-1.82%	(98.01)	-3.87%	(88.78)
Deferred tax adjustments	4.68%	251.38	1.50%	34.36
Others	-3.58%	(192.03)	0.74%	16.96
<b>Effective income tax rate</b>	<b>28.40%</b>	<b>1,525.45</b>	<b>27.49%</b>	<b>630.30</b>

The applicable tax rate for the Company for the year ended 31st March, 2022 was 29.12% (Previous Year: 29.12%). The tax rate has been reduced to 22% from September 2019. However the Company has decided to continue with the old rates on account of unutilised MAT credit.

### (d) Movement in deferred tax

(₹ In Lakhs)

Particulars	As at 31st March, 2022					
	Net balance 1st April, 2021	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax (Asset)/Liabilities</b>						
On difference between book balance and tax balance of PPE	2,344.43	50.61	-	2,395.04	-	2,395.04
Provision on employee benefits	(101.71)	(57.33)	19.66	(139.38)	139.38	-
Unabsorbed business losses and depreciation	0.00	0.00	-	0.00	-	-
Unused tax credits	(1,094.06)	428.74	-	(665.32)	665.32	-
Interest to bank	(63.20)	63.20	-	0.00	-	-
Others	118.40	40.52	-	158.92	-	158.92
<b>Tax assets (Liabilities) (Net)</b>	<b>1,203.86</b>	<b>525.74</b>	<b>19.66</b>	<b>1,749.26</b>	<b>804.70</b>	<b>2,553.95</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	As at 31st March, 2021					
	Net balance April 1, 2020	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax (Asset)/Liabilities</b>						
On difference between book balance and tax balance of PPE	2,254.50	89.93	-	2,344.43	-	2,344.43
Provision on employee benefits	(101.52)	9.10	(9.29)	(101.71)	101.71	-
Unabsorbed business losses and depreciation	0.00	-	-	0.00	0.00	-
Unused tax credits	(1,043.57)	(50.49)	-	(1,094.06)	1,094.06	-
Interest to bank	(97.49)	34.29	-	(63.20)	63.20	-
Others	(26.86)	145.27	-	118.41	-	118.41
<b>Tax assets (Liabilities) (Net)</b>	<b>985.06</b>	<b>228.10</b>	<b>(9.29)</b>	<b>1,203.87</b>	<b>1,258.97</b>	<b>2,462.84</b>

### 34. Earnings per share

(₹ In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Profit for the year</b>	<b>3,820.02</b>	<b>1,672.11</b>
Equity shares at the beginning of the year (nos.)	3,52,40,000	3,52,40,000
Equity shares to be allotted on merger (Refer Note 41)	28,38,500	-
Equity shares at the end of the year (nos.)	3,80,78,500	3,52,40,000
<b>Weighted average equity shares for the purpose of calculating basic earnings per share (nos.)</b>	<b>3,80,78,500</b>	<b>3,80,78,500</b>
<b>Weighted average equity shares for the purpose of calculating diluted earnings per share (nos.)</b>	<b>3,80,78,500</b>	<b>3,80,78,500</b>
Earnings per share-basic (face value of ₹10/- each) (₹)	10.03	4.39
Earnings per share-diluted (face value of ₹10/- each) (₹)	10.03	4.39

Note: The earnings per share for both year are after considering additional shares to be issued on merger.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 35. Employee Benefit Disclosures

#### I. Defined Contribution plan

The Company makes contributions towards provident fund to defined contribution retirement plan for the qualifying employee. The Provident fund contributions are made to Government administered employees' provident fund. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary.

The Company has recognized the following amounts in the Statement of Profit and Loss during the year under 'Contribution to staff provident and other funds' (Refer note 29)

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Employer's contribution to Provident Fund	98.55	91.62
<b>Total</b>	<b>98.55</b>	<b>91.62</b>

#### III. Defined benefit plans

The company operates funded gratuity plan for qualifying employees. Under the plan, the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service.

No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at 31st March, 2022 by the certified actuarial valuer.

The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

#### (A) Movements in net defined benefit (asset)/ liability

Particulars	(₹ In Lakhs)	
	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Defined obligations at the beginning of the year	421.91	407.57
Current service cost	48.83	46.21
Interest cost	29.11	26.90
Past service costs	14.79	-

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Benefits paid	(82.69)	(25.87)
<b>Actuarial (gain)/loss</b>	-	-
- change in demographic assumptions	-	(12.45)
- change in financial assumptions	(19.70)	(12.55)
- experience variance	83.66	(7.90)
<b>Defined benefit obligation as at end of the year</b>	<b>495.91</b>	<b>421.91</b>

### (B) Movements in the fair value of plan assets

(₹ In Lakhs)

Particulars	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Fair value at beginning of the year	394.34	348.70
Investment income	27.21	23.01
Return on plan assets	(3.55)	(1.00)
Actual return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-
Contributions by the employer	24.49	49.50
Other adjustments	-	-
Benefits paid	(82.69)	(25.87)
<b>Fair value of plan assets as at end of the year</b>	<b>359.80</b>	<b>394.34</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### (C) Amount recognized in the balance sheet

Particulars	(₹ In Lakhs)	
	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Present value of defined benefit obligation as at end of the year	500.78	421.91
Fair value of plan assets as at end of the year	359.80	394.34
<b>As at year end</b>	<b>(140.98)</b>	<b>(27.57)</b>

### (D) Amounts recognized in the statement of profit and loss

Particulars	(₹ In Lakhs)	
	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Current service cost	51.27	46.21
Past service cost	17.22	-
Net interest income/ (cost) on the net defined benefit liability (Asset)	1.90	3.89
<b>Total</b>	<b>70.39</b>	<b>50.10</b>

### (E) Amounts recognized in other comprehensive income

Particulars	(₹ In Lakhs)	
	Gratuity (funded)	
	31st March, 2022	31st March, 2021
<b>Actuarial (gains) / losses due to:</b>		
- change in demographic assumptions	-	(12.45)
- change in financial assumptions	(19.70)	(12.55)
- experience variance	83.66	(7.90)
Return on plan assets	3.55	1.00
<b>Total</b>	<b>67.51</b>	<b>(31.90)</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### (F) Category of plan assets

The Company's plan assets in respect of gratuity are funded through the Gratuity Scheme of LIC

(₹ In Lakhs)

Particulars	Gratuity (funded)	
	31st March, 2022	31st March, 2021
Administered by Life Insurance Corporation of India *	100%	100%
Government of India Securities	0%	0%
State Government securities	0%	0%
Special Deposit Scheme	0%	0%

\*The Company is unable to obtain the details of plan assets from the Life Insurance Corporation of India and hence the disclosure thereof is not made.

### (G) Sensitivity analysis

(₹ In Lakhs)

Particulars	Gratuity (funded)	
	31st March, 2022	31st March, 2021
<b>DBO On base assumptions</b>		
<b>A. Discount Rate (- / + 1%)</b>		
Discount Rate Increase	449.99	380.53
1. Effect due to 1% increase in discount rate	-9.26%	-9.81%
Discount Rate Decrease	550.06	470.89
2. Effect due to 1% decrease in discount rate	10.92%	11.61%
<b>B. Salary Growth Rate</b>		
Salary Growth Rate Increase	552.07	468.50
1. Effect due to 1% increase in discount rate	11.32%	11.04%
Salary Growth Rate Decrease	447.60	381.44
2. Effect due to 1% decrease in discount rate	-9.74%	-9.59%

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Gratuity (funded)	
	31st March, 2022	31st March, 2021
<b>C. Attrition Rate</b>		
Attrition Rate Increase	505.68	430.01
1. Effect due to 50% increase in discount rate	1.97%	1.94%
Attrition Rate Decrease	484.77	412.59
2. Effect due to 50% decrease in discount rate	-2.25%	-2.21%
<b>D. Mortality Rate</b>		
Mortality Rate Increase	497.72	423.48
1. Effect due to 10% increase in discount rate	0.36%	0.37%
Mortality Rate Decrease	494.08	420.29
2. Effect due to 10% decrease in discount rate	-0.37%	-0.38%

(H) The expected future cash flows as at 31st March, 2022 were as follows:

Summary of Assets and Liabilities	Amount (₹ In lakhs)
2017-18	(40.70)
2018-19	(3.44)
2019-20	(58.87)
2020-21	(27.57)
2021-22	(136.12)

(I) Expected Cash flows over the next

	Amount (₹ In lakhs)
1 year	25.46
2 to 5 years	158.66
6 to 10 years	228.76
More than 10 years	849.63

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### (J) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

### 35. Employee Benefit Disclosures

#### i) General assumptions

Particulars	Gratuity (funded)	Gratuity (funded)
	31st March, 2022	31st March, 2021
Discount rate (per annum)	7.30%	6.90%
Withdrawal rate	2.00%	2.00%
Rate of increase in compensation	5.00%	5.00%

- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality 2012-14 (Previous year: India Assured Lives Mortality (2006-08) (Modified) ULT.) mortality table.
- iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31st December 2021 is available for encashment on separation from the Company up to a maximum of 30 days.
- iv) The discount rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- v) The contribution to be made by the Company for funding its liabilities for gratuity during the financial year 2021-22 amounts to ₹ 24.49 lakhs (PY ₹ 49.50 lakhs).
- vi) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.
- vii) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.
- viii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- ix) Short term compensated absences have been provided on actual basis.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 36. Related party relationships, transactions and balances:

#### a) Name of Related Parties and nature of relationship

##### I. Wholly owned subsidiary - Pakka Inc. (with effect from 7th April, 2021)

##### II. Key Managerial Personnel and relatives

##### 1. Executive Directors

(a) Jagdeep Hira	Managing Director
(b) Narendra Kumar Agrawal	Director Works

##### 2. Non - Executive Directors

(a) Ved Krishna	Director
(b) Manjula Jhunjhunwala	Director
(c) Kimberly Ann McArthur	Director
(d) Pradeep Vasant Dhobale	Independent Director
(e) Indroneel Banerjee	Independent Director
(f) Atul Kumar Gupta	Independent Director
(g) Imanul Haque (Upto 31.12.2020)	Independent Director
(h) Srinivas Vishnubhatla (upto 11.02.2022)	Independent Director
(i) Basant Kumar Khaitan	Independent Director

##### 3. Other Key Management Personnel

(a) Jignesh Shah (from 20.06.2020)	Chief Financial Officer
(b) Manoj Kumar Maurya (From 07.02.2020 to 09.06.2020)	Chief Financial Officer
(c) Sachin Kumar Srivastava (Upto 31.10.2020)	Company Secretary
(d) Bhavna Kodarbhai Patel (From 01.11.2020)	Company Secretary

##### III. Enterprise over which the Key Managerial Personnel (KMP) have significant influence with whom transactions have taken place during the year

- (a) Yash Agro Products Limited
- (b) Satori Global Limited
- (c) Jingle Bell Nursery School Society
- (d) Pakka Foundation (Formerly known as K K Charitable Foundation)
- (e) K. K. Jhunjhuwala HUF
- (f) AMJ Land Holdings Limited
- (g) WMW Metal Fabrics Limited
- (h) Pudumjee Paper Products Limited.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### b) Details of transactions with related parties during the year

(₹ In Lakhs)

Particulars	Subsidiaries		KMP		Enterprise over which the KMP have significant influence		Total	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
<b>INCOME</b>								
<b>Sales net of discount/incentives</b>								
Pudumjee Paper Products Limited.	-	-	-	-	797.88	603.92	797.88	603.92
<b>Received from services and others</b>								
Jingle Bell Nursery School Society	-	-	-	-	1.18	0.58	1.18	0.58
<b>Rent received</b>								
Yash Agro Products Limited	-	-	-	-	0.24	0.24	0.24	0.24
<b>Total</b>	-	-	-	-	799.30	604.74	799.30	604.74
<b>EXPENSES</b>								
<b>Purchases</b>								
WMW Metal Fabrics Limited	-	-	-	-	-	7.25	-	7.25
Satori Global Limited	-	-	-	-	39.52	31.82	39.52	31.82
<b>Loss/(gain) on investments measured at FVTPL</b>	-	-	-	-				
AMJ Land Holdings Limited	-	-	-	-	0.04	(0.04)	0.04	(0.04)
<b>Interest on unsecured loan</b>								
Yash Agro Products Limited	-	-	-	-	31.50	31.50	31.50	31.50
<b>Donation paid</b>								
Pakka Foundation (Formerly known as K K Charitable Foundation)	-	-	-	-	30.00	70.00	30.00	70.00
<b>Dividend Paid</b>								
Ved Krishna	-	-	110.40	110.40	-	-	110.40	110.40
Manjula Jhunjhunwala	-	-	5.51	5.51	-	-	5.51	5.51
Narendra Kumar Agarwal	-	-	0.01	0.01	-	-	0.01	0.01
Satori Global Limited	-	-	-	-	33.35	33.35	33.35	33.35

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Subsidiaries		KMP		Enterprise over which the KMP have significant influence		Total	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Yash Agro Products Limited	-	-	-	-	9.69	9.69	9.69	9.69
K. K. Jhunjhunwala, HUF	-	-	-	-	0.16	0.16	0.16	0.16
<b>Remuneration</b>								
Ved Krishna	-	-	48.11	146.93	-	-	48.11	146.93
Jagdeep Hira	-	-	193.20	181.64	-	-	193.20	181.64
Narendra Kumar Agarwal	-	-	45.08	37.15	-	-	45.08	37.15
Jignesh Shah (from 20.06.2020)	-	-	62.34	41.89	-	-	62.34	41.89
Manoj Kumar Maurya (From 07.02.2020 to 09.06.2020)	-	-	-	2.45	-	-	-	2.45
Sachin Kumar Srivastava (Upto 31.10.2020)	-	-	-	8.24	-	-	-	8.24
Bhavna Kodarbhai Patel (From 01.11.2020)	-	-	19.51	7.66	-	-	19.51	7.66
<b>Sitting Fees</b>								
Manjula Jhunjhunwala	-	-	1.05	1.20	-	-	1.05	1.20
Kimberly Ann McArthur	-	-	0.75	1.05	-	-	0.75	1.05
Pradeep Vasant Dhobale	-	-	1.35	1.35	-	-	1.35	1.35
Atul Kumar Gupta	-	-	1.20	1.20	-	-	1.20	1.20
Srinivas Vishnubhatla	-	-	1.20	1.35	-	-	1.20	1.35
Indroneel Banerjee	-	-	1.35	1.50	-	-	1.35	1.50
Imanul Haque (Upto 31.12.2020)	-	-	-	0.60	-	-	-	0.60
Basant Kumar Khaitan	-	-	1.05	1.35	-	-	1.05	1.35
<b>Consultancy Charges</b>								
Kimberly Ann McArthur	-	-	67.41	56.28	-	-	67.41	56.28
<b>Pension</b>								
Manjula Jhunjhunwala	-	-	12.00	12.00	-	-	12.00	12.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>571.52</b>	<b>619.76</b>	<b>144.25</b>	<b>183.72</b>	<b>715.76</b>	<b>803.48</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### c) Outstanding balances with related parties:

(₹ In Lakhs)

Particulars	Subsidiaries		KMP		Enterprise over which the KMP have significant influence		Total	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
<b>Assets</b>								
<b>Investments</b>								
AMJ Land Holdings Limited	-	-	-	-	0.15	0.13	0.15	0.13
<b>Loan given</b>								
Pakka Inc.	7.77	-	-	-	-	-	7.77	-
<b>Receivable For Services/others</b>								
Ved Krishna	-	-	19.31	9.42	-	-	19.31	9.42
Kimberly Ann McArthur	-	-	-	0.35	-	-	-	0.35
<b>Trade Receivables</b>								
Pudumjee Paper Products Limited.	-	-	-	-	67.64	30.90	67.64	30.90
<b>Total</b>	<b>7.77</b>	<b>-</b>	<b>19.31</b>	<b>9.77</b>	<b>67.79</b>	<b>31.03</b>	<b>94.87</b>	<b>40.80</b>
<b>Liabilities</b>								
<b>Unsecured Loans</b>								
Yash Agro Products Limited	-	-	-	-	315.00	315.00	315.00	315.00
Ved Krishna	-	-	208.00	208.00	-	-	208.00	208.00
<b>Interest payable on unsecured loans</b>								
Yash Agro Products Limited	-	-	-	-	31.50	21.85	31.50	21.85
<b>Payable For Services/others</b>								
Kimberly Ann McArthur	-	-	0.14	-	-	-	0.14	-
Jingle Bell Nursery School Society	-	-	-	-	0.02	-	0.02	-
<b>Trade Payable</b>								
Satori Global Limited	-	-	-	-	-	31.82	-	31.82

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

Particulars	(₹ In Lakhs)							
	Subsidiaries		KMP		Enterprise over which the KMP have significant influence		Total	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
<b>Guarantees</b>								
<b>Personal Guarantees</b>								
Ved Krishna	-	-	21,524.00	21,524.00	-	-	21,524.00	21,524.00
Manjula Jhunjhunwala	-	-	21,524.00	21,524.00	-	-	21,524.00	21,524.00
<b>Corporate Guarantees</b>								
Satori Global Limited	-	-	-	-	21,524.00	21,524.00	21,524.00	21,524.00
Yash Agro Products Limited	-	-	-	-	21,524.00	21,524.00	21,524.00	21,524.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>43,256.14</b>	<b>43,256.00</b>	<b>43,394.52</b>	<b>43,416.67</b>	<b>86,650.66</b>	<b>86,672.67</b>

### d) Other Notes

No amount has been written off/back or provision made for loss allowance during the year in respect of related parties.

## 37. Financial Instruments

### (i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total borrowings includes all long and short-term borrowings as disclosed in notes 17 to the financial statements.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital and reserves . The gearing ratio for the year is as under:

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Debt	10,423.47	9,394.08
Less: Cash and cash equivalent including short term deposits (restricted)	936.70	335.94
<b>Net debt (A)</b>	<b>9,486.77</b>	<b>9,058.14</b>
<b>Total equity (B)</b>	<b>16,763.50</b>	<b>13,005.32</b>
<b>Debt Equity Ratio (A/B)</b>	<b>0.57</b>	<b>0.70</b>

### (ii) Categories of financial instruments

#### Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the reporting date.
- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).
- The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.
- Cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>				
<b>Financial assets measured at fair value</b>				
Investments measured at FVTPL	-	0.18	-	0.14
<b>Financial assets measured at amortized cost</b>				
Loans	43.31	-	31.88	-
Trade Receivables	2,253.57	-	1,541.48	-
Cash and cash equivalents	360.38	-	19.86	-
Bank balances other than cash and cash equivalents	576.32	-	316.08	-
Other financial assets	135.99	-	159.89	-
<b>Total</b>	<b>3,369.57</b>	<b>0.18</b>	<b>2,069.19</b>	<b>0.14</b>
<b>Financial Liabilities</b>				
<b>Financial liabilities measured at amortized cost</b>				
Borrowings	10,423.47	-	9,394.08	-
Trade and other payables	1,093.00	-	753.58	-
Other financial liabilities	-	-	22.36	-
<b>Total</b>	<b>11,516.47</b>	<b>-</b>	<b>10,170.02</b>	<b>-</b>

### Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
<b>As at 31st March, 2022</b>				
<b>Assets at fair value</b>				
Investments measured at FVTPL	0.18	-	-	0.18
<b>As at 31st March, 2021</b>				
<b>Assets at fair value</b>				
Investments measured at FVTPL	0.14	-	-	0.14

### (iii) Financial risk management objectives:

The Company's principal financial liabilities comprise of loan from banks and financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

### (a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

### Trade and Other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 21 - 30 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

At 31st March, 2022, the Company's top three customers accounted for ₹ 610.08 lakhs of the trade and other receivables carrying amount (P.Y.: ₹ 613.80 lakhs).

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Expected credit loss assessment for customers:

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

			(₹ In Lakhs)
As at 31st March, 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
<b>Neither past due not impaired</b>			
0 to 1 year	2,145.57	0%	-
1 to 2 years	0.65	5%	0.03
2 to 3 years	15.75	10%	1.58
3years and above	-	25%	-
Specific provision	186.59	50%	93.31
<b>Total</b>	<b>2,348.56</b>		<b>94.91</b>

			(₹ In Lakhs)
As at 31st March, 2021	Gross carrying amount	Weighted average loss rate - range	Loss allowance
<b>Neither past due not impaired</b>			
0 to 1 year	1,418.81	0%	-
1 to 2 years	1.28	5%	0.06
2 to 3 years	16.10	10%	1.61
3years and above	54.63	25%	13.66
Specific provision	131.96	50%	65.98
<b>Total</b>	<b>1,622.78</b>		<b>81.31</b>

### Movement in the expected credit loss allowance

		(₹ In Lakhs)
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Balance at the beginning of the year</b>	<b>81.31</b>	<b>54.63</b>
Add: Provision made during the year	13.60	26.68
<b>Balance at the end of the year</b>	<b>94.91</b>	<b>81.31</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks.

The Company held cash and cash equivalents of ₹ 360.38 lakhs at 31st March, 2022 (P.Y.: ₹ 19.86 lakhs). Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

### (b) Market risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

### (I) Foreign currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Company's exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Company does not use derivative financial instruments for trading or speculative purposes.

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

Particulars	(₹ In Lakhs)			
	As at 31st March, 2022		As at 31st March, 2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	375.07	2,124.12	104.00	123.37
Euro	34.20	64.85	-	-
AED	-	-	35.30	-
<b>Total</b>	<b>409.27</b>	<b>2,188.97</b>	<b>139.30</b>	<b>123.37</b>

The following table details the Company's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currency receivables and payables. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Impact on profit before tax</b>		
USD	(87.45)	(0.97)
Euro	(1.53)	-
AED	-	1.77
<b>Total</b>	<b>(88.99)</b>	<b>0.80</b>

### (II) Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

#### Interest rate sensitivity analysis:

As at 31st March, 2022 and 2021, financial liability of ₹ 9,967.15 Lakhs and ₹ 8,955.13 Lakhs, respectively, were subject to variable interest rates. Increase/decrease of 25 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of ₹ 24.91 lakhs and ₹ 22.39 lakhs for the year ended 31st March, 2022 and 2021, respectively.

The risk estimates provided assume a parallel shift of 25 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact is indicated on the profit/(loss) before tax basis).

### (III) Liquidity risk:

The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has a cash credit facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Liquidity table:

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

(₹ In Lakhs)

Particulars	As at 31st March, 2022			Total
	Within One Year	One to five years	More than five years	
<b>Financial instruments:</b>				
Borrowings	7,518.45	2,905.02	152.07	10,575.54
Trade and other payables	1,093.00	-	-	1,093.00
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>8,611.45</b>	<b>2,905.02</b>	<b>152.07</b>	<b>11,668.54</b>

(₹ In Lakhs)

Particulars	As at 31st March, 2021			Total
	Within One Year	One to five years	More than five years	
<b>Financial instruments:</b>				
Borrowings	5,701.62	3,207.46	152.07	9,061.15
Trade and other payables	753.58	-	-	753.58
Other financial liabilities	1,565.63	-	-	1,565.63
<b>Total financial liabilities</b>	<b>8,020.83</b>	<b>3,207.46</b>	<b>152.07</b>	<b>11,380.36</b>

### (IV) Other price risk:

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2022. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

### Equity price sensitivity analysis:

There is minimum exposure to equity price risks as at the reporting date or as at the previous reporting date.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 38. Segmental Information

#### Business Segment

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

- a) Paper, Pulp and other products
- b) Moulded Products

The above business segments have been identified considering:

- a) the nature of products
- b) the differing risks and returns
- c) the internal organization and management structure, and
- d) the internal financial reporting systems

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Jagdeep Hira (Managing Director), as explained in the Directors' Report section.

The measurement principles of segments are consistent with those used in Significant Accounting Policies.

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022			For the year ended 31st March, 2021		
	Paper	Moulded Product	Total	Paper	Moulded Product	Total
<b>REVENUE</b>	26,696.31	3,225.57	29,921.88	17,150.84	2,347.12	19,497.96
<b>RESULTS</b>						
<b>Profit/ loss before interest</b>	<b>6,146.30</b>	<b>286.96</b>	<b>6,433.26</b>	<b>2,779.11</b>	<b>719.18</b>	<b>3,498.29</b>
Less: interest	(541.45)	(394.81)	(936.26)	(591.14)	(503.39)	(1,094.53)
Unallocable Expenses	0.00	0.00	(127.71)	0.00	0.00	(110.64)
<b>Total profit before tax</b>	<b>5,604.85</b>	<b>(107.85)</b>	<b>5,369.29</b>	<b>2,187.97</b>	<b>215.79</b>	<b>2,293.12</b>
<b>Provision for taxation</b>	<b>0.00</b>	<b>0.00</b>	<b>1,549.30</b>	<b>0.00</b>	<b>0.00</b>	<b>621.01</b>
<b>Net Profit</b>	<b>5,604.85</b>	<b>(107.85)</b>	<b>3,819.99</b>	<b>2,187.97</b>	<b>215.79</b>	<b>1,672.11</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022			For the year ended 31st March, 2021		
	Paper	Moulded Product	Total	Paper	Moulded Product	Total
<b>Other information</b>						
<b>Assets</b>	28,349.84	3,953.88	32,303.72	21,773.56	4,432.11	26,205.67
<b>Unallocable Assets</b>	0.00	0.00	393.36	0.00	0.00	35.23
<b>Liabilities</b>	9,173.14	4,341.18	13,514.32	6,739.49	5,050.00	11,789.49
<b>Unallocable Liabilities</b>	0.00	0.00	2,419.26	0.00	0.00	1,446.09

### Additional Information by Geographies

Although the Company's operations are managed by product area, we provide additional information based on geographies.

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Revenue by geographical market</b>		
Within India	22,266.54	15,287.01
Outside India	6,842.09	3,078.08
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>

All non current assets of the Company are located in India.

### Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products.

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Paper, pulp and other products	26,160.47	16,743.31
<b>Total</b>	<b>26,160.47</b>	<b>16,743.31</b>

### Revenue from major customers

The Company is not reliant on revenues from transactions with any single customer and does not receive 10% or more of its revenue from transactions with any single customer in case of Paper and Pulp.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 39. Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customers

#### I. Disaggregated revenue information for Revenue from Contracts with Customers

	(₹ In Lakhs)	
Particulars	31st March, 2022	31st March, 2021
<b>Types of Goods</b>		
Paper	22,237.93	15,174.70
Pulp	3,331.86	1,141.17
Egg Tray	309.61	245.70
Bagasse Pith Pallets	281.07	181.74
Moulded products	2,948.16	1,621.78
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>
<b>Sales by Geographical location</b>		
India	22,266.54	15,287.01
Outside India	6,842.09	3,078.08
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>
<b>Sale Channels</b>		
Directly to Consumers	4,389.64	2,027.41
Through intermediaries	24,718.99	16,337.68
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>
<b>Sales by performance obligation</b>		
Upon Shipment/ Dispatch	29,108.63	18,365.09
Upon Delivery	-	-
<b>Total</b>	<b>29,108.63</b>	<b>18,365.09</b>

#### II. Reconciliation between revenue with customers and contract price:

	(₹ In Lakhs)	
Particulars	31st March, 2022	31st March, 2021
Revenue as per contracted price	29,129.58	18,381.06
Adjustments		
Discounts/ Rebates	(20.95)	(15.97)
<b>Revenue from contracts with Customers</b>	<b>29,108.63</b>	<b>18,365.09</b>



## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### III. Reconciliation of the revenue from contracts with the amounts disclosed in the segment information

	(₹ In Lakhs)	
Particulars	31st March, 2022	31st March, 2021
Total revenue from contracts with customer	29,108.63	18,365.09
Total revenue as per Segment		-
- Paper, pulp and other products	26,160.47	16,743.31
- Moulded products	2,948.16	1,621.78

### IV. Contract Balances

	(₹ In Lakhs)	
Particulars	31st March, 2022	31st March, 2021
Trade Receivables	2,253.57	1,541.48
Contract Liabilities	440.90	157.12

### 40. Disclosure in terms of Ind AS 116

#### Operating Leases

##### As Lessee

##### Short term leases:

The Company has obtained premises for its business operations under operating leases of low value. These are not non-cancellable and are renewable by mutual consent of the parties.

The same are shown under 'Rent' in the Statement of Profit and Loss as follows:

	(₹ In Lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease rent	37.82	24.50

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### As Lessor

The following table sets out a maturity analysis of lease payments, showing undiscounted lease payments to be received after the reporting period.

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Within one year	1.69	1.13
Between one to five years	2.42	1.32
Beyond five years	-	-

### Finance Leases

Amounts recognised in the Balance Sheet

A company has finance lease arrangement for various land leases for terms of 60- 73 years . The carrying amount of these assets are shown below:

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Land</b>		
Gross Carrying Amount	181.25	181.25
Accumulated Depreciation	16.47	14.28
Depreciation recognized in statement of profit and loss	2.32	2.19

## 41. Business Combination - Merger

### Merger of Yash Compostables Limited

Hon. National Company Law Tribunal has approved the Scheme of Merger of Yash Compostables Limited ("YCL") with the Company vide its order dated 18th April 2022. As per the scheme the effective date of Merger was 1st April 2020. Accordingly, the financial performance of YCL for the financial year 2021-22 has been incorporated in the these financial statements and the financial performance for financial year 2020-21 has been incorporated in retained earnings. The difference between fair value of assets and liabilities as on 1st April 2020 and after taking into account 28,38,500 equity shares of ₹10 Each to be allotted to the erstwhile shareholders of YCL as per the scheme is recognised as Goodwill of ₹ 408.80 lakhs which is accounted in the Standalone Financial Statements.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### Assets acquired and liabilities assumed

The fair values of the identifiable assets acquired and liabilities assumed as at the date of merger date i.e. 1st April 2020 were:

Particulars	Amount (₹ In lakhs)
<b>Assets</b>	
Property, plant and equipment	12.95
Inventories	8.62
Trade receivables	200.57
Cash and cash equivalents	17.95
Other assets	4.52
<b>Total assets (A)</b>	<b>244.61</b>
<b>Liabilities</b>	
Trade payables	386.12
Deferred tax liabilities	(45.35)
Other current liabilities	17.66
Provisions	11.13
<b>Total liabilities (B)</b>	<b>369.56</b>
<b>Net assets (A - B) = (C)</b>	<b>(124.95)</b>
<b>Shares to be allocated to YCL (D)</b>	<b>283.85</b>
<b>Goodwill (D) - (C)</b>	<b>408.80</b>

### Acquisition related costs

Acquisition related costs of ₹ NIL is paid towards transfer of assets.

### Impact of acquisition on the statement of profit and loss

Following is the extract of the audited statement of Profit and Loss of Yash Composatables Limited before merger FY 2020-21.

Particulars	Amount (₹ In lakhs)
Total Income	1,945.42
Total Expenses	1,870.48
Profit/ (Loss) Before Taxes	74.94

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 42. Expenditure on Research and Development

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Capital Expenditure	-	-
Revenue Expenditure	84.79	14.39

### 43. Expenditure on Corporate Social Responsibility (CSR)

	(₹ In Lakhs)	
Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Amount of CSR required to be spent as per the limits of Section 135 of Companies Act, 2013	58.78	57.40
(b) Amount spent during the year	47.00	70.00
(c) Shortfall at the end of the year	11.78	-12.60
(d) Total of previous year shortfall	-	-
(e) Reason for shortfall	previous year it was paid in excess	Nil
(f) Nature of CSR activity	Women Education and Water Conservation	Women Education and Water Conservation
(g) Details of related party transaction		
Pakka Foundation (formerly known as KK Charitable Foundation)	30.00	70.00
Jingle Bell School	17.00	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year.	NA	NA

### 44. Contingencies

	(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Claims against the Company not acknowledged as debts:		
- VAT	12.74	12.74
- Guarantees given by Banks	641.29	702.21
- Letter of Credits	251.25	72.77
<b>Total</b>	<b>905.28</b>	<b>787.72</b>

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 45. Capital and other commitments

(₹ In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Estimated value of contracts remaining to be executed on capital account (net of advance paid)	555.56	431.21
Other commitments - EPCG licenses	302.39	6,478.59
<b>Total</b>	<b>857.95</b>	<b>6,909.80</b>

### 46. Ratios

Particulars	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	Variance	Reasons
Current Ratio	Current assets	Current liabilities	1.18	1.14	3.51%	
Debt - Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.62	0.72	-13.89%	
Debt Service Coverage Ratio*	Earnings available for debt service (1)	Debt Service	0.37	0.18	105.56%	Higher earnings in current year
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	22.79%	12.86%	77.22%	Higher earnings in current year
Inventory Turnover ratio	Sales	Average Inventory	19.52	13.40	45.67%	Higher earnings in current year
Trade receivables turnover ratio	Revenue	Average Trade Receivable	15.34	11.08	38.45%	Higher earnings in current year
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	20.75	15.23	36.24%	Higher earnings in current year
Net capital turnover ratio	Revenue	Working Capital	16.07	18.13	-11.40%	
Net profit ratio	Net Profit	Revenue	12.27%	9.10%	34.84%	Higher earnings in current year
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed	27.65%	18.10%	52.76%	Higher earnings in current year
Return on Investment(ROI)**	Interest Income & Income from Mutual Funds	Average Investment (2)	4.77%	4.82%	0.05%	

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

### 47. Details of loans given, investment made and guarantee given covered under section 186(4) of the Companies Act, 2013:

#### Loans and advances given

Name of Company	Relationship	Nature of Transaction	As at 31st March 2022	As at 31st March 2021
Pakka Inc.	Wholly owned subsidiary	Loan given	7.77	-
Pakka Inc.	Wholly owned subsidiary	Investments made	376.02	-

### 48. Other disclosures as per amended Schedule III-

- (i) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company do not have any transactions with Companies stuck off.
- (iii) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.
- (iv) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (v) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vi) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- (vii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (viii) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ix) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Notes forming part of the standalone financial statements for the year ended 31st March, 2022

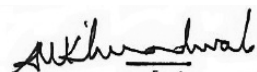
- (x) The Company has complied with the requirements of clause 87 of section 2 of the Companies Act 2013 read with Compliance (Restriction on number of layers) Rules, 2017.
49. The figures in the Standalone Financial Statements for the year ended 31st March 2022 are not comparable to the corresponding year ended 31st March'21 as the figures of previous year does not include the financial impact of Merger.
50. Figures for the previous period are re-arranged/ re-grouped, wherever necessary, to correspond with the current period's classification and disclosures.

As per our attached report of even date

For **C N K & Associates LLP**

*Chartered Accountants*

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

*Partner*

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

*Managing Director*

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

*Chief Financial Officer*

Place: Ayodhya

Date: 28th May 2022



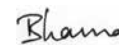
**N K Agrawal**

*Director Works*

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

*Company Secretary*

Place: Mumbai

Date: 28th May 2022



# INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**YASH PAKKA LIMITED**

## Report on the audit of Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Yash Pakka Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Statement of consolidated Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies

Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2022, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by

the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	<p><b>Property, plant and equipment and capital work in progress:</b></p> <ul style="list-style-type: none"> <li>● The Company is in the process of executing various projects like, purchasing /installation of new machineries/ capital projects. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the Balance Sheet of the Company, this is considered to be an area with significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</li> <li>● This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs that are eligible for capitalisation are not appropriately capitalised in accordance with the recognition criteria provided in Ind AS 16</li> </ul> <p>(Refer Note 2 to the consolidated financial statements)</p>	<p><b>Our Audit approach included the following:</b></p> <ul style="list-style-type: none"> <li>● We performed an understanding and evaluation of the system of internal control process over the projects and those included in capital work in progress, with reference to identification and testing of key controls;</li> <li>● We intention and ability of the management to carryforward and bring the asset to its state of intended use;</li> <li>● Review of Board minutes relating to approvals of the projects and changes in estimates thereof;</li> <li>● Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;</li> <li>● Tested the direct and indirect costs capitalised, on a sample basis, with the underlying supporting documents to ascertain nature of costs and basis for allocation, where applicable, and evaluated whether they meet the recognition criteria provided in the Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment;</li> <li>● Review of physical verification reports conducted by the Company and write offs.</li> <li>● Ensured adequacy of disclosures in the standalone financial statements.</li> </ul>
2	<p><b>Litigations, Provisions and Contingent Liabilities</b></p> <p>There are several litigations pending before various forums against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty.</p> <p>(Refer Note 44 to the consolidated financial statements)</p>	<p><b>Audit Approach:</b></p> <ul style="list-style-type: none"> <li>● Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations;</li> <li>● Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions and process followed to decide provisioning or disclosure as Contingent Liabilities;</li> </ul>

Sr. No	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> <li>● Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company;</li> <li>● We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.</li> </ul>

### Information other than the consolidated financial statements and Auditors report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including its annexures and Corporate Governance and Shareholders information but does not include the consolidated financial statements and our auditor's report thereon. The Directors' report including its annexures and Corporate Governance and Shareholders information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the course of our audit, or otherwise appears to be

materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

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

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application

of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective 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 are also

responsible for overseeing the financial reporting process of the group.

### **Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements.
- We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities, included in the consolidated financial statements which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters paragraph " below.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matters 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:

The consolidated financial statements include financial statements of one subsidiary which reflect total assets of Rs. 136.48 lakhs as at 31st March 2022, total revenues of ₹ Nil, total loss and total comprehensive income of ₹249.70 lakhs, and net cash outflows of ₹136.48 lakhs for the year then ended as considered in the consolidated financial statements.

These financial statements of the subsidiary have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements in so far as relates to the amounts and disclosures included in respect of the aforesaid subsidiary and our report in terms of subsections 3 and 11 of section 143 of the Act, is based solely on such management certified financial statements and the procedures performed by us as stated above.

Our opinion on the consolidated financial statements above and our report on the Other Legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the management certified financial statements of the subsidiary.

#### 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 by the group so far as it appears from our examination of those books and reports of the other auditors.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of changes in equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these 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 Rule 7 of the Companies (Accounts) Rules, 2014

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March 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 the financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as

amended; in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act; and

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

- i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 44 to the consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company,
- iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in note 49 to the consolidated financial

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

- b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 49 to the consolidated financial statements 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, whether, directly or indirectly, lend or invest in other persons or entities identified in

any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
- d. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend;

As stated in Note 2 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

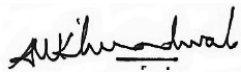
2. With respect to the Matters specified in paragraph 3(xxi) and 4 of the Companies ( Auditors' Report) Order , 2020, ( "the Order"/ "CARO"), issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors

report, according to the information and explanations given to us, based on the Caro reports issued by for the Holding Company and included by us in the Consolidated financial statements of the Company, to which reporting under CARO is applicable,

we report that, there are no qualifications or adverse remarks in the CARO report of the Holding Company. Reporting under CARO is not applicable to the subsidiary of the Company.

Place: Mumbai  
Date: 28th May 2022

For **C N K & Associates LLP**  
*Chartered Accountants*  
Firm Registration No: 101961W / W - 100036

  
**Himanshu Kishnadwala**  
*Partner*

Membership No: 037391  
UDIN: 22037391AJTYUJ2156



# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

## 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 over financial reporting of YASH PAKKA LIMITED (“the Holding Company”) as of 31st March, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has except for strengthening of process of financial closure at year end, in all material respects, internal financial controls with reference to consolidated financial statements of the company and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022; based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting

criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to consolidated financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable

to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance

of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

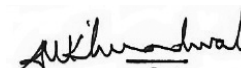
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place: Mumbai  
Date: 28th May 2022

For **C N K & Associates LLP**  
*Chartered Accountants*

Firm Registration No: 101961W / W - 100036



**Himanshu Kishnadwala**  
*Partner*

Membership No: 037391  
UDIN: 22037391AJTYUJ2156

# Consolidated Balance Sheet as at 31st March, 2022

Particulars	Note No.	(₹ In Lakhs)
		As at 31st March, 2022
<b>I. ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	2	17,193.04
(b) Capital work-in-progress	3	1,798.04
(c) Goodwill	4	408.80
(d) Other intangible assets	4	79.44
(e) Financial assets		
(i) Investments	5	0.18
(f) Other non current assets	6	446.89
<b>Total non current assets</b>		<b>19,926.39</b>
<b>Current Assets</b>		
(a) Inventories	7	7,876.45
(b) Financial assets		
(i) Loans	8	35.42
(ii) Trade receivables	9	2,253.57
(iii) Cash and cash equivalents	10	496.87
(iv) Bank balances other than (iii) above	11	576.32
(v) Other financial assets	12	135.99
(c) Other current assets	13	1,148.78
<b>Total current assets</b>		<b>12,523.40</b>
<b>TOTAL ASSETS</b>		<b>32,449.79</b>
<b>II. EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity share capital	14A	3,524.00
(b) Shares to be allotted	14B	283.85
(c) Other equity	15	12,705.94
<b>Total Equity</b>		<b>16,513.79</b>
<b>Liabilities</b>		
(2) Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	16A	2,905.02
(ii) Other financial liabilities	17	270.25

# Consolidated Balance Sheet as at 31st March, 2022

		(₹ In Lakhs)
Particulars	Note No.	As at 31st March, 2022
(b) Deferred tax liabilities (net)	18	1,713.22
(c) Other non current liabilities	19	512.85
<b>Total non current liabilities</b>		<b>5,401.34</b>
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	16B	7,518.45
(ii) Trade payables	20	
(A) Total outstanding dues of Small Enterprises and Micro enterprises		379.84
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises.		713.16
(b) Other current liabilities	21	1,444.54
(c) Provisions	22	478.67
<b>Total current liabilities</b>		<b>10,534.66</b>
<b>Total liabilities</b>		<b>15,936.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,449.79</b>

Significant Accounting Policies

1

See accompanying notes from 2 to 44 forming part of the consolidated financial statements

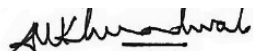
This year being the first year of consolidation, current year figures have been disclosed.

As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036


**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board


**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022


**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022

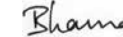

**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022


**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

## Consolidated Statement of Profit & Loss for the year ended 31st March, 2022

		(₹ In Lakhs)
Particulars	Note No.	For the year ended 31st March, 2022
I. Revenue from operations	23	29,108.63
II. Other income	24	813.25
<b>III. Total Income</b>		<b>29,921.88</b>
<b>IV. Expenses</b>		
Cost of materials consumed	25	11,746.92
Purchase of stock-in-trade		6.18
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(124.56)
Employee benefits expenses	27	3,736.38
Finance costs	28	939.62
Depreciation and amortization expenses	29	1,021.54
Other expenses	30	7,475.48
<b>Total Expenses (IV)</b>		<b>24,801.56</b>
<b>V. Profit before Tax (III - IV)</b>		<b>5,120.32</b>
<b>VI. Tax expense:</b>	31	
1. Current tax		980.00
2. Deferred tax		565.11
3. Tax adjustments relating to earlier years		4.19
<b>VII. Profit for the period (V - VI)</b>		<b>3,571.02</b>

# Consolidated Statement of Profit & Loss for the year ended 31st March, 2022

		(₹ In Lakhs)
Particulars	Note No.	For the year ended 31st March, 2022
<b>VIII. Other comprehensive income</b>		
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans		(67.51)
(ii) Income tax related to items that will not be reclassified to profit or loss		19.66
Foreign Currency Transition Reserve		(0.71)
		<b>(48.56)</b>
<b>IX. Total comprehensive income for the period (VII - VIII)</b>		<b>3,522.46</b>
<b>X. Earnings per equity share</b>	32	
1. Basic		9.38
2. Diluted		9.38

Significant Accounting Policies

1

See accompanying notes from 2 to 44 forming part of the consolidated financial statements

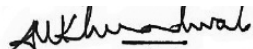
This year being the first year of consolidation, current year figures have been disclosed.

As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022



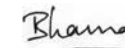
**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

# Statement of Consolidated Cash Flow for the year ended 31st March, 2022

Particulars	(₹ In Lakhs) For the year ended 31st March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
<b>Net Profit before tax</b>	<b>5,120.32</b>
<b>Adjustments for :</b>	
Depreciation and amortization	1,021.54
Loss/ (profit) on sale of property, plant and equipment	188.64
Interest income	(112.20)
Finance cost	795.94
Remeasurement of net defined benefit plans	(67.51)
Net (gain) / loss on foreign exchange fluctuation	-
Net (gain)/ loss on investments measured at Fair Value through Profit and Loss	(0.04)
<b>Operating profit before working capital changes</b>	<b>6,946.69</b>
<b>Changes in working capital:</b>	
<b>Adjustment for (increase)/decrease in operating assets</b>	
(Increase)/ decrease in Loans	(3.55)
(Increase)/ decrease in trade receivables	(712.09)
(Increase)/ decrease in inventories	(1,892.40)
(Increase)/ decrease in other financial assets	23.90
(Increase)/ decrease in other assets	(646.52)
Adjustment for increase/(decrease) in operating liabilities	
Increase/ (decrease) in trade payables	339.42
Increase/ (decrease) in other financial liabilities	(22.36)
Increase/ (decrease) in other liabilities	559.10
Increase/ (decrease) in provisions	129.09
<b>Cash generated from operations</b>	<b>4,721.29</b>
<b>Income taxes refunded / (paid), net</b>	(1,477.62)
<b>Net cash generated from operating activities</b>	<b>3,243.67</b>



# Statement of Consolidated Cash Flow for the year ended 31st March, 2022

Particulars	(₹ In Lakhs) For the year ended 31st March, 2022
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment, intangible assets (including capital work in progress and capital advance)	(2,925.78)
Proceeds from sale of property, plant and equipment	12.94
Interest received	112.20
Acquired on account of business combination	129.95
Other bank balances (margin money)	(260.24)
<b>Net cash (used in) / generated from investing activities</b>	<b>(2,930.93)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	
Increase/ (decrease) in long-term borrowings	(787.44)
Increase/ (decrease) in short-term borrowings	1,816.20
Issuance of equity shares	283.85
Premium on Security	-
Money received against warrant	-
Finance costs paid	(795.94)
Derivatives	-
Dividend paid for the previous year	(352.40)
<b>Net cash used in financing activities</b>	<b>164.27</b>
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	477.01
Cash and cash equivalents at the beginning of the year	19.86
Cash and cash equivalents at the end of the year	496.87

# Statement of Consolidated Cash Flow for the year ended 31st March, 2022

## Note:

Reconciliation between cash and cash equivalents and cash and bank balances:

	(₹ In Lakhs)
	<b>For the year ended 31st March, 2022</b>
Cash and cash equivalents as per cash flow statement	496.87
Add: Margin money deposits not considered as cash and cash equivalents	576.32
<b>Cash and bank balances</b>	<b>1,073.19</b>

## Notes to the statement of cash flows and disclosure of non cash transactions

In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

## Significant Accounting Policies (Refer Note 1)

See accompanying notes from 2 to 44 forming part of the consolidated financial statements

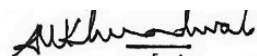
This year being the first year of consolidation, current year figures have been disclosed.

As per our attached report of even date

For **C N K & Associates LLP**

*Chartered Accountants*

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

*Partner*

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

*Managing Director*

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

*Chief Financial Officer*

Place: Ayodhya

Date: 28th May 2022



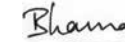
**N K Agrawal**

*Director Works*

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

*Company Secretary*

Place: Mumbai

Date: 28th May 2022

# Consolidated Statement of Changes in Equity for the year ended 31st March, 2022

## A. Equity Share Capital

Particulars	(₹ In Lakhs)
<b>Balance as on 1st April, 2021</b>	<b>3,524.00</b>
Equity shares to be issued (Refer Note 39)	283.85
<b>Balance as on 31st March, 2022</b>	<b>3,807.85</b>

## B. Other Equity

Particulars	Other Equity					Total Equity
	Reserves and Surplus				Other Comprehensive Income	
	Capital Reserve	Securities Premium	General reserve	Retained Earnings	Other items of other comprehensive income	
<b>Balance as on 1st April, 2021</b>	<b>37.32</b>	<b>1,172.16</b>	<b>550.00</b>	<b>7,785.56</b>	<b>(63.72)</b>	<b>9,481.32</b>
Additions during the year	-	-	-	-	(47.85)	(47.85)
Acquisition through Business Combination	-	-	-	54.56	-	54.56
Profit for the year	-	-	-	3,570.31	-	3,570.31
Dividend Paid for the year ended 31st March, 2021	-	-	-	(352.40)	-	(352.40)
<b>Balance as on 31st March, 2022</b>	<b>37.32</b>	<b>1,172.16</b>	<b>550.00</b>	<b>11,058.03</b>	<b>(111.57)</b>	<b>12,705.94</b>

Refer Note 16 for nature and purpose of reserves

See accompanying notes from 2 to 44 forming part of the consolidated financial statements

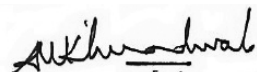
This year being the first year of consolidation, current year figures have been disclosed.

As per our attached report of even date

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

Partner

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

Managing Director

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

Chief Financial Officer

Place: Ayodhya

Date: 28th May 2022



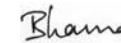
**N K Agrawal**

Director Works

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

Company Secretary

Place: Mumbai

Date: 28th May 2022

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Corporate Information

Yash Pakka Limited ("the Holding Company") was founded in 1981. The Company is listed on BSE Limited. The Company is mainly engaged in the business of manufacture and dealing in Paper and Moulded products. The principal place of business of the Company is in Ayodhya, Uttar Pradesh, India.

These consolidated financial statements comprise the Company and its subsidiary (referred to collectively as the 'Group').

### 1. Basis of Preparation:

Consolidated financial statements of the Group comprises, the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (herein referred to as "Consolidated financial statements". These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements provide comparative information in respect of the previous period.

The Group's presentation and functional currency is Indian rupees. All amounts in these consolidated financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in lakhs.

### Authorization of Consolidated Financial Statements:

The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on May 28, 2022.

### Historical cost convention

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

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans where plan assets measured at fair value.

### 1.1. Use of Judgment and Estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of consolidated financial statements are prudent and reasonable. The

said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Group's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as below:

- Impairment of Financial Assets;
- Impairment of Non-Financial Assets;
- Impairment of Goodwill;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions and Contingencies;
- Estimation of current tax expense and tax payable.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

### Current versus non-current classification

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

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 1.2. Statement of Significant Accounting Policies

### 1.2.1. Principles of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements

of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the Holding and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary has been changed where necessary to ensure consistency with the policies adopted by the group.

Name of Subsidiary Company	Percentage of holding
Pakka Inc. USA	100%

### 1.2.2. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly

attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

When significant parts of PPE are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

### Depreciation

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

PPE costing less than ₹5,000/- are fully depreciated in the year of capitalization.

Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions / deductions, as the case may be.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Capital Work in Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

### 1.2.3. Intangible Assets

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

#### Amortization

The above is amortized over a period of 5 years on Straight Line Basis.

#### Goodwill

Goodwill is initially recognised based on accounting policy for business combinations and tested for impairment annually.

### 1.2.4. Business Combination

Business Combinations are accounted for using the acquisition method as prescribed in Ind AS 103 Business Combinations of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued, and liabilities assumed at their acquisition date i.e. the date on which control is acquired. Contingent consideration to be transferred is recognised at fair value and included as part of cost of acquisition.

Transaction related costs are expensed in the period in which the costs are incurred.

Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

### 1.2.5. Impairment of Non-Financial Assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### 1.2.6. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As a lessee

##### (A) Lease Liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

##### (B) Right-of-use assets

Initially recognised 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.

#### Subsequent measurement

##### (A) Lease Liability

The Group measures the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

##### (B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

### Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Group elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

### 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.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

### 1.2.7. Inventories

Cost includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebates and discounts, if any. Net realizable value is the estimated selling price in the ordinary course of business.

Inventories other than Scrap are valued at lower of cost and net realized value.

### 1.2.8. Revenue Recognition

In accordance with Ind AS 115, Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

The specific recognition criteria described below are also to be met before revenue is recognized.

Revenue is measured based on the transaction price as specified in the contract with the customer. In determining the transaction price, the Group considers below, if any:

#### (i) Variable consideration

This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

#### (ii) Contract modifications

These are accounted for when additions,

deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods or services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Goods or services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

### Sale of Goods

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

Revenue from sales of goods is recognized at the point in time when control is transferred to the customer, based on the contracts with the customers.

Sale of goods are net of returns, allowances, trade discounts, cash discounts and volume rebates. Export sales are recognized on the issuance of Bill of Lading/ Airway bill by the carrier.

### Income from Export incentives

Income from export incentives such as duty drawback are recorded on accrual basis in accordance with the terms of the respective



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

schemes. Policy for other export benefits is as stated in Note 1.2.12 below.

### Dividend income

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

### Interest income

Interest income is recognized using the effective interest rate (EIR) method.

### Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

### 1.2.9. Employee benefits

#### i) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

#### Retirement benefit costs

The Group has both defined-contribution and defined-benefit plans, of which some have assets in special funds or securities. The plans are financed by the Group.

#### ii) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

#### Defined-contribution plans

These are plans in which the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and superannuation fund. The Group's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

#### Defined-benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the

changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment cost. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

#### Other long-term employee benefits

Compensated absences which accrue to employees, and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

### 1.2.10. Expenditure on Research and Development

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as PPE.

### 1.2.11. Foreign Currency Transactions

#### Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

#### Non – Monetary items

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

### 1.2.12. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to PPE are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

The export incentives received by the Group such as duty draw back, Merchandise Export from India Scheme (MEIS) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

### 1.2.13. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Consolidated Financial Statements.

Contingent assets are not recognized but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### 1.2.14. Fair Value measurement

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

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Group for the asset or liability.

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

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

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

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

### 1.2.15. Financial Assets

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

#### Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortized

cost, fair value through other comprehensive income or fair value through profit and loss.

#### Debt instruments at amortized cost

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Statement of Profit and Loss.

### Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, YPL decides to classify the same either as at FVTOCI or FVTPL. YPL makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - The Group has transferred substantially all the risks and rewards of the asset, or
  - The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

### 1.2.16. Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as (a) above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

### 1.2.17. Financial Liabilities

#### Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

#### Financial Liabilities at amortized cost

Financial liabilities classified and measured at amortized cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### Derivative financial instruments

The Group uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

### Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognized in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statement for issue, not to demand payment as a consequence of the breach.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group, or the counterparty.

### 1.2.18. Borrowing Cost

Borrowing costs directly attributable to the construction or production of a qualifying asset are capitalized during the period of time that is required for the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 1.2.19. Taxes on Income

#### Current and Deferred Tax

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

#### Unused tax credit

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to

future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as a deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

### 1.2.20. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 1.2.21. Cash and Cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

### 1.2.22. Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities

of the Group are segregated based on the available information.

### 1.2.23. Segment Reporting

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the Group.

### 1.2.24. Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

The following standards/amendments to standards have been issued and will be effective from 1st April 2022. The Group is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the consolidated financial statements

- **Indian Accounting Standard (Ind AS) 103 - Business Combinations** – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method –

should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

- **Indian Accounting Standard (Ind AS) 109 - Financial Instruments** – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities
- **Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment** – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

**Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets** – Modifications in application of recognition and measurement principles relating to onerous contracts.



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 2. Property, plant and equipment

(₹ In Lakhs)										
Particulars	Freehold land	Leasehold land	Factory buildings	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
<b>Gross carrying value</b>										
<b>As at 1st April, 2021</b>	349.37	181.25	2,751.16	404.91	15,844.76	42.17	166.19	133.49	911.08	20,784.38
Additions	-	-	76.25	-	1,313.04	2.72	97.10	35.92	24.80	1,549.83
Deletions	-	-	10.64	6.67	543.74	24.38	26.20	45.48	187.66	844.77
Acquisition through business combination (Refer Note 39)	-	-	-	-	62.68	0.15	-	9.17	-	72.00
<b>As at 31st March, 2022</b>	<b>349.37</b>	<b>181.25</b>	<b>2,816.77</b>	<b>398.24</b>	<b>16,676.74</b>	<b>20.66</b>	<b>237.09</b>	<b>133.10</b>	<b>748.22</b>	<b>21,561.44</b>
<b>Accumulated Depreciation</b>										
<b>As at 1st April, 2021</b>	-	16.47	508.67	24.81	2,906.46	16.42	55.58	77.48	403.01	4,008.90
Additions	-	2.32	101.93	7.01	766.47	5.74	24.03	22.65	67.64	997.79
Deletions	-	-	7.17	6.24	378.41	23.16	16.50	42.77	169.04	643.29
Acquisition through business combination (Refer Note 39)	-	-	-	-	0.03	0.09	-	4.87	-	4.99
<b>As at 31st March, 2022</b>	<b>-</b>	<b>18.79</b>	<b>603.43</b>	<b>25.58</b>	<b>3,294.55</b>	<b>(0.91)</b>	<b>63.11</b>	<b>62.23</b>	<b>301.61</b>	<b>4,368.39</b>
<b>Net Carrying amount</b>										
<b>As at 1st April, 2021</b>	<b>349.37</b>	<b>164.78</b>	<b>2,242.49</b>	<b>380.10</b>	<b>12,938.30</b>	<b>25.75</b>	<b>110.61</b>	<b>56.01</b>	<b>508.07</b>	<b>16,775.48</b>
<b>As at 31st March, 2022</b>	<b>349.37</b>	<b>162.46</b>	<b>2,213.35</b>	<b>372.66</b>	<b>13,382.19</b>	<b>21.57</b>	<b>173.99</b>	<b>70.87</b>	<b>446.61</b>	<b>17,193.04</b>

#### (i) Leased Assets

The lease term in respect of assets acquired under finance leases expires within 60-73 years.

#### (ii) Assets given as security for borrowings

All the items of property, plant and equipment of the Group have been given to lenders as security for various borrowing facilities. (Refer Note 16)

#### (iii) Impairment

The Group has assessed recoverable amount of its property, plant and equipment by estimating its value in use. Based on the aforementioned assessment it has been concluded that the recoverable amount is higher than the respective carrying amount.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (iv) Other Notes:

- a) Property, Plant and Equipment values are carried in the financial statement on their Historic value (Cost of Acquisition).
- b) No revaluation has been carried out as per Rule 2 of the Companies Act, 2013.
- c) For capital commitments, Refer Note 43
- d) The Group has not revalued any of its Property, plant and equipment and intangible assets during the year.
- e) Title deeds of all immovable properties of land and buildings which are freehold are in the name of the Group.

### 3. Capital work in progress (CWIP)

Gross carrying value	
Particulars	(₹ In Lakhs) Amount
As at 1st April, 2021	608.20
Additions	1,189.84
As at 31st March, 2022	1,798.04

Details of CWIP as on 31st March 2022

Particulars	(₹ In Lakhs)				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	1,461.73	197.70	138.60	-	1,798.04
Projects temporarily suspended	-	-	-	-	-

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 4. Goodwill and other intangible assets

Particulars	(₹ In Lakhs)	
	Goodwill (Refer Note 4(a))	Computer software
<b>Gross carrying value</b>		
As at 1st April, 2021	-	119.34
Additions	408.80	65.65
Deletions	-	0.20
<b>As at 31st March, 2022</b>	<b>408.80</b>	<b>184.79</b>
<b>Impairment/Amortisation</b>		
As at 1st April, 2021	-	84.27
Additions	-	21.18
Deletions	-	0.10
<b>As at 31st March, 2022</b>	<b>-</b>	<b>105.35</b>
<b>Net Carrying amount</b>		
As at 1st April, 2021	-	35.07
<b>As at 31st March, 2022</b>	<b>408.80</b>	<b>79.44</b>

#### Note 4(a):

The Group tests goodwill on an annual basis and whenever there is an indication that the Cash Generating Unit (CGU) to which the goodwill has been allocated may be impaired. The goodwill impairment test is performed at the level of the CGU or group of CGUs that benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount is determined based on higher of value-in-use and fair value less cost of disposal.

In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. In circumstances where a reliable value-in-use estimate is difficult to make whereas market value of the asset or the CGU or group of CGUs is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, where applicable.

Apart from the observable market information, significant management estimates and judgments are used to determine the recoverable amounts based on value-in-use. Key assumptions on which management has based its determination of recoverable amount includes estimated growth rates (including terminal growth rates), margins and discount rates.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 5. Investments - Financial Assets

(₹ In Lakhs)

Particulars	As at 31st March, 2022
<b>Investments at fair value through profit and loss</b>	
Investment in equity shares (quoted, fully-paid up)	
500 equity shares of ₹2/- each of AMJ Land Holdings Limited	0.15
100 equity shares of ₹10/- each of Rana Mohendra Papers Limited [₹380]	0.00
100 equity shares of ₹10/- each of Mukerian Papers Limited	0.01
25 equity shares of ₹10/- each of Shree Rama Newsprint & Papers Limited	0.02
<b>Total</b>	<b>0.18</b>
<b>Aggregate amount of quoted investments and market value thereof</b>	<b>0.18</b>
<b>Aggregate amount of unquoted investments</b>	-
<b>Aggregate amount of impairment in value of investments</b>	-

### 6. Other non current assets

(₹ In Lakhs)

Particulars	As at 31st March, 2022
Capital Advance	381.17
Deferred Revenue from EPCG licenses	36.43
Others	29.29
<b>Total</b>	<b>446.89</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 7. Inventories

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
<i>At lower of cost and net realizable value</i>	
Raw Materials	4,696.40
Work in Progress	41.02
Finished Goods	977.39
Traded goods	14.52
Pulp	1.45
Store and Spares	2,131.30
Scrap	8.84
Acquisition through business combination (Refer Note 39)	5.53
<b>Total</b>	<b>7,876.45</b>

- (i) The mode of valuation of inventory has been stated in Note 1.2.7  
(ii) Inventories have been pledged as security for borrowings (Refer note 16)  
(iii) There has been a write down of inventories of ₹8.42 lakhs which is recognised as an expense during the year.

### 8. Loans

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Considered good - secured	-
Considered good - unsecured	35.42
With significant increase in credit risk	-
Credit impaired	-
Less: Loss allowance	-
<b>Total</b>	<b>35.42</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 9. Trade receivables

(₹ In Lakhs)

Particulars	As at 31st March, 2022
Considered good - secured	-
Considered good - unsecured*	1,711.42
With significant increase in credit risk	-
Credit impaired	-
Acquisition through business combination (Refer Note 39)	637.06
Less: Loss allowance	(94.91)
<b>Total</b>	<b>2,253.57</b>

\* includes ₹30.90 lakhs (P.Y. ₹396.08 lakhs) receivable from related parties. (Refer note 34)

(₹ In lakhs)

Particulars	less than 6 months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	Above 3 Years	Total
Undisputed Trade Receivables- Considered Good	1,106.03	1,039.46	0.65	15.75	-	2,161.89
Undisputed Trade Receivables- Which Have Significant Risk	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Which Have Significant Risk	-	-	-	-	186.59	186.59
Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,106.03</b>	<b>1,039.46</b>	<b>0.65</b>	<b>15.75</b>	<b>186.59</b>	<b>2,348.48</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 9.1 Following are the details for the trade receivables whose credit risk has been assessed individually

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Assessed credit risk on an individual basis	186.59
Less: Loss allowance on above	(93.30)
<b>Total</b>	<b>93.30</b>

### 9.2 The average credit period for collection for paper division 20 days and for moulded division 30 days.

Refer Note 35 (a) &amp; (b) for information about credit risk and market risk of trade receivables.

## 10. Cash and cash equivalents

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Balances with banks in current accounts	429.47
Cash in hand	15.71
Acquisition through business combination (Refer Note 39)	51.69
<b>Total</b>	<b>496.87</b>

## 11. Bank balances other than cash and cash equivalents

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Unpaid dividend account	25.78
Margin money deposits (restricted, held as lien against bank guarantees)	550.54
<b>Total</b>	<b>576.32</b>



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 12. Other financial assets - current

(₹ In Lakhs)

Particulars	As at 31st March, 2022
Interest accrued but not due	7.87
Export incentives receivable	125.53
Security Deposits	2.59
<b>Total</b>	<b>135.99</b>

### 13. Other current assets

(₹ In Lakhs)

Particulars	As at 31st March, 2022
Advances to vendors	471.93
Indirect Taxes recoverable	451.32
Others	194.60
Acquisition through business combination (Refer Note 39)	30.80
<b>Total</b>	<b>1,148.65</b>

### 14A. Equity share capital

(₹ In Lakhs)

Particulars	As at 31st March, 2022
<b>Authorised equity share capital</b>	
Equity shares	
5,60,00,000 Equity shares of ₹10/- each	5,600.00
Preference shares	
4,00,000 Equity shares of ₹100/- each	400.00
<b>Total</b>	<b>6,000.00</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

		(₹ In Lakhs)
		As at
Particulars		31st March, 2022
<b>Issued, subscribed and fully paid up</b>		
Equity shares		
3,52,40,000 Equity shares of ₹10/- each		3,524.00
<b>Total</b>		<b>3,524.00</b>

### 14B. Equity shares to be allotted

		(₹ In Lakhs)
		As at
Particulars		31st March, 2022
<b>Equity shares to be allotted</b>		
28,38,500 Equity shares of ₹10/- each		283.85
<b>Total</b>		<b>283.85</b>

#### (i) Movements in equity share capital

		(₹ In Lakhs)
		As at
Particulars		31st March, 2022
Opening Balance		3,52,40,000
Issued during the year *		28,38,500
<b>Closing Balance</b>		<b>3,80,78,500</b>

\*Represents shares to be allocated to shareholders of Yash Compostables Limited on account of merger (Refer Note 39)

#### (ii) Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (iii) Details of shareholders holding more than 5% shares in the Group:

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Ved Krishna	1,38,44,388
% of Share	36.36%
Satori Global Limited	33,34,500
% of Share	8.76%

### (iv) For the period of 5 years immediately preceding the date as at which the Balance sheet is prepared:

(a) No shares have been allotted as fully paid up pursuant to the contracts without payments being revised in cash

(b) No bonus shares have been allotted

(c) No shares have been bought back

### (v) Number of shares held by Promoters\*

Particulars	No of shares held at the end of the year 31st March 2022	
	No of shares	% of Total shares
Mr. Ved Krishna*	1,38,44,388	36.36%
Satori Global Limited	33,34,500	8.76%
Yash Agro Products Limited	9,68,640	2.54%
Mrs. Manjula Jhunhunwala	5,51,066	1.45%
Krishnakumar Jhunhunwala (HUF)	16,000	0.04%

\* Represents shares to be allocated to shareholders of Yash Compostables Limited on account of merger (Refer Note 39)

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 15. Other equity

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Capital Reserve	37.32
Securities Premium	1,172.16
General Reserve	550.00
Retained Earnings	11,004.18
Acquisition through business combination	54.56
Other Comprehensive Income	(112.28)
<b>Total</b>	<b>12,705.94</b>

#### 15.1 The movement in other equity

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
<b>Capital Reserve</b>	
Balance at the beginning of the year	37.32
Add: transferred during the year	-
<b>Balance at the end of the year</b>	<b>37.32</b>
<b>Securities Premium</b>	
Balance at the beginning of the year	1,172.16
Add: transferred during the year	-
<b>Balance at the end of the year</b>	<b>1,172.16</b>
<b>General Reserve</b>	
Balance at the beginning of the year	550.00
Add: transferred during the year	-
<b>Balance at the end of the year</b>	<b>550.00</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
<b>Retained Earnings</b>	
Balance at the beginning of the year	7,785.56
Balance at the beginning of the year - YCL (Business Acquisition)	54.56
Add: Profit for the year	3,571.02
Less: Dividend paid	352.40
Less: Dividend Tax paid	-
<b>Balance at the end of the year</b>	<b>11,058.74</b>
<b>Other Comprehensive Income</b>	
Balance at the beginning of the year	(63.72)
Add: Profit for the year	(47.85)
Foreign Currency Transition Reserve	(0.71)
<b>Balance at the end of the year</b>	<b>(112.28)</b>

### 15.2 Nature and Purpose of Reserves

**Capital Reserve:** Capital reserve includes the amount retained towards the forfeiture of equity and preferential warrants. This reserve will be utilized in accordance with the provisions of the Act.

**Securities Premium:** Securities premium reserve is on account of premium on issue of shares. This reserve will be utilized in accordance with the provisions of the Act.

**General Reserve:** It has been created out of profits of earlier years.

**Retained Earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Other Comprehensive Income:** This includes actuarial gains/(losses) on employee benefit obligations.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 15.3. Proposed Dividend on equity shares not recognised

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
Final Dividend for the year ended Re. 1 per share	352.40
	<b>352.40</b>
<b>Proposed dividend on equity shares</b>	
Final dividend proposed for the year ended 31st March 2022 Rs. 2 per share	761.57
<b>Total</b>	<b>761.57</b>

As proposed by the Board of Directors, the same is subject to approval by shareholders at the ensuing annual general meeting of the Group.

### 16. Borrowings

#### (A) Long term borrowings

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
<b>Secured</b>	
Term loans from banks	2,448.70
<b>Unsecured</b>	
From related parties	456.32
<b>Total</b>	<b>2,905.02</b>

#### (B) Short term borrowings

(₹ In Lakhs)

Particulars	As at
	31st March, 2022
<b>Secured</b>	
Working capital loans from banks	7,518.45
<b>Total</b>	<b>7,518.45</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 16.1. Repayment terms:

- a) **Secured rupee term loans from banks:** Structured Quarterly Installments.
- b) **Loan from Pradeshiya Industrial & Investment Corporation of UP Limited (PICUP):** Bullet repayment at the end of tenure of Loan (Repayable F.Y. 2024, interest free)
- c) **Loan from related parties:** Repayable after bank secured term loan is repaid
- d) **Scheduled repayments:** Contractual repayments in case of loans from banks:

Particulars	(₹ In Lakhs)
	As at 31st March, 2022
Within one year	7,518.45
Between one to five years*	3,049.08
Over five years*	152.07

\*The above excludes Ind AS adjustments

- e) Interest rates: Loans availed from banks carry interest rate ranging from 7.00% to 9.45%.  
Refer note 35(b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.
- f) **Security details:-**  
Term Loans from Banks are secured by
- First pari-passu charge by hypothecation of all Immovable Properties and property, plant and equipment both present and future of the Group. [including equitable mortgage of land property & building]
  - Second pari passu charge on entire current assets (present and future) of the Group with 2nd charge over entire property, plant and equipment [present and future] of the company ceded to working capital bankers/ lenders (including Letters of Credit and Letters of Guarantees).
  - Personal guarantee of Promoter Directors of the company
  - Corporate guarantee of Yash Agro Products Limited and Satori Global Limited.
  - 100% pledge of promoter's shareholding in the Company in favour of the lenders.
- g) Term Loan and working capital loans availed from Banks has been utilised for the purpose they have been received for
- h) **Borrowing Secured Against Current Assets**



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

As at 31st March 2022

Name of the Bank	Quarter ended	Details of security provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reasons for Material Discrepancies
Consortium Bankers Led By State Bank of India	30-Jun-21	Inventory	5,649.71	5,649.71	-	-
		Receivable upto 6 Month	1,762.51	1,762.51	-	-
	30-Sep-21	Inventory	4,060.11	4,060.11	-	-
		Receivable upto 6 Month	1,997.23	1,997.23	-	-
	31-Dec-21	Inventory	4,614.80	4,614.80	-	-
		Receivable upto 6 Month	2,777.60	2,777.60	-	-
	31-Mar-22	Inventory	7,876.46	7,876.46	-	-
		Receivable upto 6 Month	2,050.05	2,050.05	-	-

### 17. Other financial liabilities

	(₹ In Lakhs)
<b>Particulars</b>	<b>As at 31st March, 2022</b>
Security deposits from customers	270.25
<b>Total</b>	<b>270.25</b>

### 18. Deferred tax liabilities (net)

	(₹ In Lakhs)
<b>Particulars</b>	<b>As at 31st March, 2022</b>
<b>Tax effect of items constituting deferred tax liability</b>	
On difference between book balance and tax balance of PPE	2,395.04
<b>Tax effect of items constituting deferred tax liability</b>	<b>2,395.04</b>
<b>Tax effect of items constituting deferred tax assets</b>	
Provision on employee benefits	139.38
Carried forward depreciation and business loss	-
Unused tax credit (MAT)	665.32
Interest to bank	-
Others	(158.94)
Acquisition through business combination (Refer Note 39)	36.05
<b>Tax effect of items constituting deferred tax assets</b>	<b>681.81</b>
<b>Total</b>	<b>1,713.22</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 19. Other non current liabilities

		(₹ In Lakhs)
		<b>As at</b>
<b>Particulars</b>		<b>31st March, 2022</b>
Deferred Revenue:		
Capital Subsidy		32.00
Government loan under PICUP scheme		178.46
EPCG obligation		302.39
<b>Total</b>		<b>512.85</b>

### 20. Trade Payables

		(₹ In Lakhs)
		<b>As at</b>
<b>Particulars</b>		<b>31st March, 2022</b>
<b>Trade payables:</b>		
- Dues to micro and small enterprises		379.84
- Other than micro and small enterprises		663.63
Acquisition through business combination (Refer Note 39)		49.53
<b>Total</b>		<b>1,093.00</b>

#### 20.1 Disclosure under Section 22 of Micro, Small and Medium enterprises development (MSMED Act, 2006)

		(₹ In Lakhs)
		<b>As at</b>
<b>Particulars</b>		<b>31st March, 2022</b>
Principal amount due and remaining unpaid		364.49
Principal amount due and remaining unpaid: Acquisition through business combination (Refer Note 39)		15.35
Interest paid by the Group in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006		-
Payment made beyond the appointed day during the year		-
Interest due and payable for the period of delay		-
Interest accrued and remaining unpaid		-
Amount of further interest remaining due and payable		-

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

The above is based on the intimation received from its vendors regarding the status under Micro, Small and Medium enterprises development (MSMED Act, 2006), except as stated above. The above information is based on the information complied by the Group and relied upon by the auditors.

### 20.2 Trade payables

For the year ended 31st March 2022

(₹ In lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	361.22	18.62				379.84
Others	436.49	266.05	5.00	5.62	0	713.16
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

### 21. Other current liabilities

(₹ In Lakhs)

Particulars	As at 31st March, 2022
Current maturities on deferred revenue on capital subsidy	4.00
Advance from customers	440.90
Statutory liabilities	377.77
Payable on capital goods	157.83
Unpaid dividend	27.16
Taxes paid (Net of taxes paid in advance)	53.90
Others	310.60
Acquisition through business combination (Refer Note 39)	72.38
<b>Total</b>	<b>1,444.54</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 22. Provisions

	(₹ In Lakhs)
Particulars	As at 31st March, 2022
Provision for Gratuity	136.12
Provision for Leave Encashment	75.84
Provision for Bonus	266.71
<b>Total</b>	<b>478.67</b>

### 23. Revenue from operations

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
<b>Sale of Products</b>	
<b>Paper, Pulp and related products</b>	
Within India	19,377.99
Outside India	6,782.48
<b>Moulded Products</b>	
Within India*	2,888.55
Outside India	59.61
<b>Total</b>	<b>29,108.63</b>

\*Refer note 34 for sales to Related parties

### 24. Other income

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Interest received on fixed deposit and others	112.20
Export incentives*	468.83
Investments measured at FVTPL	0.04

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Profit on sale of property, plant and equipment	3.28
Net Gain on foreign currency translation	82.15
Miscellaneous income	146.75
<b>Total</b>	<b>813.25</b>

\* ₹309.44 Lakhs has been received against the fulfilment of export obligation under EPCG scheme.

### 25. Cost of materials consumed

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Raw material consumed	6,556.03
Chemicals consumed	2,988.66
Stores & spares consumed	1,419.84
Packing materials consumed	782.39
<b>Total</b>	<b>11,746.92</b>

### 26. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
<b>Opening Stock</b>	
Finished Goods *	823.12
Pulp	1.75
Work in Progress	75.96
<b>Total Opening Stock</b>	<b>900.83</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
<b>Closing Stock</b>	
Finished Goods*	982.92
Pulp	1.45
Work in Progress	41.02
<b>Total Closing Stock</b>	<b>1,025.39</b>
<b>Total</b>	<b>(124.56)</b>

\*Includes Kraft paper, poster paper, moulded products and pulp

### 27. Employee benefit expenses

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Salary, wages, bonus and incentives	3,052.04
Directors remuneration*	342.63
Contribution to provident and other funds	129.29
Defined benefit plan expenses	65.53
Workmen and staff welfare expenses	146.89
<b>Total</b>	<b>3,736.38</b>

\* Refer note 34 for payments made to Related parties

### 28. Finance costs

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Interest on	
- Term loan	428.24
- Others	367.70
Net loss on foreign currency translation and transactions	39.75
Bank and documentation charges	103.93
<b>Total</b>	<b>939.62</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 29. Depreciation and amortisation expense

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
Depreciation on property, plant and equipment	1,000.35
Amortisation on intangible assets	21.19
<b>Total</b>	<b>1,021.54</b>

### 30. Other expenses

	(₹ In Lakhs)
Particulars	For the year ended 31st March, 2022
<b>Operating Expenses</b>	
Power and Fuel	3,365.32
Effluent Treatment Expenses	116.71
Repairs and Maintenance	
- Building	58.29
- Machinery	251.39
- Others	234.39
Freight, Handling and Other Sales and Distribution expenses	1,640.00
Commission on sales	188.84
<b>Others</b>	
Rent	37.82
Insurance	102.30
Travelling and Conveyance	178.54
Legal professional and consultation charges	503.09
Auditor's Remuneration (Refer Note 30(a))	11.20
Subscription and Donation	64.71
Amortisation of deferred income on EPCG license	20.82
Research and development expenses	84.79
Printing and Stationery	39.34



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022
Communication cost	36.29
Advertisement and Publicity	15.83
Business Promotion Expenses	122.18
Loss on Assets Sold / Discarded/scrapped	191.92
Loss on sale of export incentives	7.89
Provision for impairment of non financial assets	27.11
Provision on doubtful receivables and others	43.52
CSR Expenditure	47.00
Miscellaneous Expenses	86.18
<b>Total</b>	<b>7,475.48</b>

### Note 30a: Auditor's remuneration comprises:

(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022
As Auditors	6.75
For Limited Review	3.75
For certification	0.70
<b>Total</b>	<b>11.20</b>

### 31. Tax Expenses

#### (a) Amounts recognized in profit and loss

(₹ In Lakhs)	
Particulars	For the year ended 31st March, 2022
<b>Current tax expense</b>	
Current year	980.00
<b>Total</b>	<b>980.00</b>
Deferred tax expense	

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

Particulars	(₹ In Lakhs)
	For the year ended 31st March, 2022
Origination and reversal of temporary differences	565.11
<b>Total</b>	<b>565.11</b>
<b>Tax expense recognized in the income statement</b>	<b>1,545.30</b>

### (b) Amounts recognized in other comprehensive income

Particulars	(₹ In Lakhs)		
	For the year ended 31st March, 2022		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss	(67.51)	19.66	(47.85)
	<b>(67.51)</b>	<b>19.66</b>	<b>(47.85)</b>

### (c) Reconciliation of effective tax rate

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2022	
	%	Amount
<b>Profit before tax</b>		<b>5,122.27</b>
Tax using the Group's domestic tax rate	29.12%	1,491.61
<b>Tax effect of:</b>		
Due to permanent differences	(1.91)%	(98.01)
Deferred Tax Adjustments	4.68%	251.38
Others	(3.58)%	(99.87)
<b>Effective income tax rate</b>	<b>28.31%</b>	<b>1,545.11</b>

The applicable tax rate for the Group for the year ended 31st March, 2022 was 29.12%. The tax rate has been reduced to 22% from September 2019. However the Company has decided to continue with the old rates on account of unutilised MAT credit.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (d) Movement in deferred tax

(₹ In Lakhs)

Particulars	As at 31st March, 2022					
	Net balance 1st April, 2021	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax (Asset)/Liabilities</b>						
On difference between book balance and tax balance of PPE	2,344.43	50.61	-	2,395.04	-	2,395.04
Provision on employee benefits	(101.71)	(57.33)	19.66	(139.38)	139.38	-
Unabsorbed business losses and depreciation	0.00	0.00	-	0.00	-	-
Unused tax credits	(1,094.06)	428.74	-	(665.32)	665.32	-
Interest to bank	(63.20)	63.20	-	0.00	-	-
Others	118.40	40.54	-	158.94	-	158.94
<b>Tax assets (Liabilities) (Net)</b>	<b>1,203.86</b>	<b>525.75</b>	<b>19.66</b>	<b>1,749.27</b>	<b>804.70</b>	<b>2,553.97</b>

### 32. Earnings per share

(₹ In Lakhs)

Particulars	As at 31st March, 2022
<b>Profit for the year</b>	<b>3,571.02</b>
Equity shares at the beginning of the year (nos.)	3,52,40,000
Equity shares to be allotted on merger (Refer Note 39)	28,38,500
Equity shares at the end of the year (nos.)	3,80,78,500
<b>Weighted average equity shares for the purpose of calculating basic earnings per share (nos.)</b>	<b>3,80,78,500</b>
<b>Weighted average equity shares for the purpose of calculating diluted earnings per share (nos.)</b>	<b>3,80,78,500</b>
Earnings per share-basic (face value of ₹10/- each) (₹)	9.38
Earnings per share-diluted (face value of ₹10/- each) (₹)	9.38

Note: The earnings per share for both year are after considering additional shares to be issued on merger.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 33. Employee Benefit Disclosures

#### I. Defined Contribution plan

The Group makes contributions towards provident fund to defined contribution retirement plan for the qualifying employee. The Provident fund contributions are made to Government administered employees' provident fund. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary.

The Group has recognized the following amounts in the Statement of Profit and Loss during the year under 'Contribution to staff provident and other funds' (Refer note 27)

		(₹ In Lakhs)
		For the year ended 31st March, 2022
Particulars		
Employer's contribution to Provident Fund		98.55
<b>Total</b>		<b>98.55</b>

#### II. Defined benefit plans

The Group operates funded gratuity plan for qualifying employees. Under the plan, the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service.

No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at 31st March, 2022 by the certified actuarial valuer.

The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

#### (A) Movements in net defined benefit (asset)/ liability

		(₹ In Lakhs)
		Gratuity (funded) 31st March, 2022
Particulars		
Defined obligations at the beginning of the year		421.91
Current service cost		46.39
Interest cost		29.11
Past service costs		12.37

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

		(₹ In Lakhs)
<b>Particulars</b>		<b>Gratuity (funded)</b>
		<b>31st March, 2022</b>
Benefits paid		(82.69)
Actuarial (gain)/loss		
- change in demographic assumptions		-
- change in financial assumptions		(19.70)
- experience variance		83.66
<b>Defined benefit obligation as at end of the year</b>		<b>491.05</b>

### (B) Movements in the fair value of plan assets

		(₹ In Lakhs)
<b>Particulars</b>		<b>Gratuity (funded)</b>
		<b>31st March, 2022</b>
Fair value at beginning of the year		394.34
Investment income		27.21
Return on plan assets		(3.55)
Actual return on plan assets		-
Actuarial gain/(loss) on plan assets		-
Contributions by the employer		24.49
Other adjustments		
Benefits paid		(82.69)
<b>Fair value of plan assets as at end of the year</b>		<b>359.80</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (C) Amount recognized in the balance sheet

	(₹ In Lakhs)
Particulars	Gratuity (funded)
	31st March, 2022
Present value of defined benefit obligation as at end of the year	491.05
Fair value of plan assets as at end of the year	359.80
<b>As at year end</b>	<b>(131.25)</b>

### (D) Amounts recognized in the statement of profit and loss

	(₹ In Lakhs)
Particulars	Gratuity (funded)
	31st March, 2022
Current service cost	46.39
Past service cost	12.37
Net interest income/ (cost) on the net defined benefit liability (Asset)	1.90
<b>Total</b>	<b>60.66</b>

### (E) Amounts recognized in other comprehensive income

	(₹ In Lakhs)
Particulars	Gratuity (funded)
	31st March, 2022
<b>Actuarial (gains) / losses due to:</b>	
- change in demographic assumptions	-
- change in financial assumptions	(19.70)
- experience variance	83.66
Return on plan assets	3.55
<b>Total</b>	<b>67.51</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (F) Category of plan assets

The Group's plan assets in respect of gratuity are funded through the Gratuity Scheme of LIC

(₹ In Lakhs)

Particulars	Gratuity (funded)
	31st March, 2022
Administered by Life Insurance Corporation of India *	100%
Government of India Securities	0%
State Government securities	0%
Special Deposit Scheme	0%

\*The Group is unable to obtain the details of plan assets from the Life Insurance Corporation of India and hence the disclosure thereof is not made.

### (G) Sensitivity analysis

(₹ In Lakhs)

Particulars	Gratuity (funded)
	31st March, 2022
<b>DBO On base assumptions</b>	
<b>A. Discount Rate (- / + 1%)</b>	
Discount Rate Increase	445.80
1. Effect due to 1% increase in discount rate	(9.22)%
Discount Rate Decrease	544.37
2. Effect due to 1% decrease in discount rate	10.86%
<b>B. Salary Growth Rate</b>	
Salary Growth Rate Increase	546.35
1. Effect due to 1% increase in discount rate	11.26%
Salary Growth Rate Decrease	443.44
2. Effect due to 1% decrease in discount rate	(9.70)%



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

		(₹ In Lakhs)
Particulars	Gratuity (funded)	
	31st March, 2022	
<b>C. Attrition Rate</b>		
Attrition Rate Increase	500.73	
1. Effect due to 50% increase in discount rate	1.97%	
Attrition Rate Decrease	480.01	
2. Effect due to 50% decrease in discount rate	(2.25)%	
<b>D. Mortality Rate</b>		
Mortality Rate Increase	492.82	
1. Effect due to 10% increase in discount rate	0.36%	
Mortality Rate Decrease	489.24	
2. Effect due to 10% decrease in discount rate	(0.37)%	

### (H) The expected future cash flows as at 31st March, 2022 were as follows:

Summary of Assets and Liabilities	Amount (₹ In lakhs)
2017-18	(40.70)
2018-19	(3.44)
2019-20	(58.87)
2020-21	(27.57)
2021-22	(136.12)

### (I) Expected Cash flows over the next

	Amount (₹ In lakhs)
1 year	25.46
2 to 5 years	158.66
6 to 10 years	228.76
More than 10 years	849.63

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (J) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

#### i) General assumptions

Particulars	Gratuity (funded)
	31st March, 2022
Discount rate (per annum)	7.30%
Withdrawal rate	2.00%
Rate of increase in compensation	5.00%

- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality 2012-14 mortality table.
- iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31st December 2021 is available for encashment on separation from the Group up to a maximum of 30 days.
- iv) The discount rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- v) The contribution to be made by the Group for funding its liabilities for gratuity during the financial year 2021-22 amounts to Rs. 24.49 lakhs.
- vi) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.
- vii) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.
- viii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- ix) Short term compensated absences have been provided on actual basis.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 34. Related party relationships, transactions and balances:

#### a) Name of Related Parties and nature of relationship

##### I. Key Managerial Personnel and relatives

##### 1. Executive Directors

(a) Jagdeep Hira	Managing Director
(b) Narendra Kumar Agrawal	Director Works

##### 2. Non - Executive Directors

(a) Ved Krishna	Director
(b) Manjula Jhunjhunwala	Director
(c) Kimberly Ann McArthur	Director
(d) Pradeep Vasant Dhobale	Independent Director
(e) Indroneel Banerjee	Independent Director
(f) Atul Kumar Gupta	Independent Director
(g) Srinivas Vishnubhatla (upto 11.02.2022)	Independent Director
(h) Basant Kumar Khaitan	Independent Director

##### 3. Other Key Management Personnel

(a) Jignesh Shah	Chief Financial Officer
(b) Bhavna Kodarbhai Patel	Company Secretary

##### II. Enterprise over which the Key Managerial Personnel have significant influence with whom transactions have taken place during the year

- (a) Yash Agro Products Limited
- (b) Satori Global Limited
- (c) Jingle Bell Nursery School Society
- (d) Pakka Foundation (Formerly known as K K Charitable Foundation)
- (e) K. K. Jhunjhunwala HUF
- (f) AMJ Land Holdings Limited
- (g) WMW Metal Fabrics Limited
- (h) Pudumjee Paper Products Limited.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### b) Details of transactions with related parties during the year

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022		
	Key Managerial Personnel and their relatives	Enterprise over which the Key Managerial Personnel have significant influence	Total
<b>INCOME</b>			
<b>Sales net of discount/incentives</b>			
Pudumjee Paper Products Limited.	-	797.88	797.88
<b>Received from services and others</b>			
Jingle Bell Nursery School Society	-	1.18	1.18
<b>Rent received</b>			
Yash Agro Products Limited	-	0.24	0.24
<b>Total</b>	-	799.30	799.30
<b>EXPENSES</b>			
<b>Purchases</b>			
Satori Global Limited		39.52	39.52
Loss/(gain) on investments measured at FVTPL			
<b>AMJ Land Holdings Limited</b>	-	0.04	0.04
Interest on unsecured loan			
<b>Yash Agro Products Limited</b>	-	31.50	31.50
Donation paid			
<b>Pakka Foundation (Formerly known as K K Charitable Foundation)</b>	-	30.00	30.00
Dividend Paid			
<b>Ved Krishna</b>	110.40	-	110.40
Manjula Jhunjunwala	5.51	-	5.51
Narendra Kumar Agarwal	0.01	-	0.01
Satori Global Limited	-	33.35	33.35
Yash Agro Products Limited	-	9.69	9.69
K. K. Jhunjunwala, HUF	-	0.16	0.16

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022		Total
	Key Managerial Personnel and their relatives	Enterprise over which the Key Managerial Personnel have significant influence	
<b>Remuneration</b>			
Ved Krishna	48.11	-	48.11
Jagdeep Hira	193.20	-	193.20
Narendra Kumar Agarwal	45.08	-	45.08
Jignesh Shah (from 20.06.2020)	62.34	-	62.34
Bhavna Kodarbhai Patel ( From 01.11.2020 )	19.51	-	19.51
<b>Sitting Fees</b>			
Manjula Jhunhunwala	1.05	-	1.05
Kimberly Ann McArthur	0.75	-	0.75
Pradeep Vasant Dhobale	1.35	-	1.35
Atul Kumar Gupta	1.20	-	1.20
Srinivas Vishnubhatla	1.20	-	1.20
Indroneel Banerjee	1.35	-	1.35
Basant Kumar Khaitan	1.05	-	1.05
<b>Consultancy Charges</b>			
Kimberly Ann McArthur	67.41	-	67.41
<b>Pension</b>			
Manjula Jhunhunwala	12.00	-	12.00
<b>Total</b>	<b>571.52</b>	<b>144.25</b>	<b>715.76</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### c) Outstanding balances with related parties:

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022		
	Key Managerial Personnel and their relatives	Enterprise over which the Key Managerial Personnel have significant influence	Total
<b>Assets</b>			
<b>Investments</b>			
AMJ Land Holdings Limited	-	0.15	0.15
<b>Receivable For Services/others</b>			
Ved Krishna	19.31	-	19.31
<b>Total</b>	<b>19.31</b>	<b>0.15</b>	<b>19.46</b>
<b>Liabilities</b>			
<b>Unsecured Loans</b>			
Yash Agro Products Limited	-	315.00	315.00
Mr. Ved Krishna	208.00	-	208.00
<b>Interest payable on unsecured loans</b>			
Yash Agro Products Limited	-	31.50	31.50
<b>Payable For Services/others</b>			
Kimberly Ann McArthur	0.14	-	0.14
Jingle Bell Nursery School Society	-	0.02	0.02
<b>Guarantees</b>			-
<b>Personal Guarantees</b>			-
Ved Krishna	21,524.00	-	21,524.00
Manjula Jhunhunwala	21,524.00	-	21,524.00
<b>Corporate Guarantees</b>			
Satori Global Limited	-	21,524.00	21,524.00
Yash Agro Products Limited	-	21,524.00	21,524.00
<b>Total</b>	<b>43,256.14</b>	<b>43,394.52</b>	<b>86,650.66</b>

### d) Other Notes

No amount has been written off/back or provision made for loss allowance during the year in respect of related parties.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 35. Financial Instruments

#### (i) Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings.

The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Total borrowings includes all long and short-term borrowings as disclosed in notes 16 to the consolidated financial statements.

The capital structure of the Group consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital and reserves. The gearing ratio for the year is as under:

	(₹ In Lakhs)
Particulars	As at 31st March, 2022
Debt	10,423.47
Less: Cash and cash equivalent including short term deposits (restricted)	1,073.19
<b>Net debt (A)</b>	<b>9,350.28</b>
<b>Total equity (B)</b>	<b>16,513.79</b>
<b>Debt Equity Ratio (A/B)</b>	<b>0.57</b>

#### (ii) Categories of financial instruments

##### Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the reporting date.
- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Group (since the date of inception of the loans).



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

- c) The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.
- d) Cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	
	Carrying value	Fair value
<b>Financial Assets</b>		
<b>Financial assets measured at fair value</b>		
Investments measured at FVTPL	-	0.18
<b>Financial assets measured at amortized cost</b>		
Loans	35.42	-
Trade Receivables	2,253.57	-
Cash and cash equivalents	496.87	-
Bank balances other than cash and cash equivalents	576.32	-
Other financial assets	135.99	-
<b>Total</b>	<b>3,498.17</b>	<b>0.18</b>
<b>Financial Liabilities</b>		
<b>Financial liabilities measured at amortized cost</b>		
Borrowings	10,423.47	-
Trade and other payables	1,093.00	-
Other financial liabilities	-	-
<b>Total</b>	<b>11,516.47</b>	<b>-</b>

### Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(₹ In Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
<b>As at 31st March, 2022</b>				
<b>Assets at fair value</b>				
Investments measured at FVTPL	0.18	-	-	0.18

### (iii) Financial risk management objectives:

The Group's principal financial liabilities comprise of loan from banks and financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Group's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

### (a) Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

### Trade and Other receivables

Customer credit is managed by each business unit subject to the Group's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 21 - 30 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

At 31st March, 2022, the Group's top three customers accounted for Rs.610.08 lakhs of the trade and other receivables carrying amount.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Expected credit loss assessment for customers:

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

	(₹ In Lakhs)		
As at 31st March, 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
<b>Neither past due not impaired</b>			
0 to 1 year	2,145.57	0%	-
1 to 2 years	0.65	5%	0.03
2 to 3 years	15.75	10%	1.58
3years and above	-	25%	-
Specific provision	186.59	50%	93.30
<b>Total</b>	<b>2,348.56</b>		<b>94.90</b>

### Movement in the expected credit loss allowance

	(₹ In Lakhs)
Particulars	As at 31st March, 2022
<b>Balance at the beginning of the year</b>	<b>81.31</b>
Add: Provision made during the year	13.60
<b>Balance at the end of the year</b>	<b>94.91</b>

### Other financial assets

The Group maintains exposure in cash and cash equivalents and term deposits with banks.

The Group held cash and cash equivalents of Rs.308.69 lakhs at 31st March, 2022. Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Group.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

### (b) Market risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (I) Foreign currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Group's exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Group does not use derivative financial instruments for trading or speculative purposes.

The carrying amounts of the Group's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

Particulars	(₹ In Lakhs)	
	As at 31st March, 2022	
	Financial assets	Financial liabilities
USD	375.07	2,124.12
Euro	34.20	64.85
AED	-	-
<b>Total</b>	<b>409.27</b>	<b>2,188.97</b>

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currency receivables and payables. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

Particulars	(₹ In Lakhs)
	As at 31st March, 2022
<b>Impact on profit before tax</b>	
USD	(87.45)
Euro	(1.53)
AED	-
<b>Total</b>	<b>(88.99)</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (II) Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

### Interest rate sensitivity analysis:

As at 31st March, 2022, financial liability of Rs. 99,67.15 lakhs, respectively, were subject to variable interest rates. Increase/decrease of 25 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of Rs. 24.9 lakhs for the year ended 31st March, 2022.

The risk estimates provided assume a parallel shift of 25 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact is indicated on the profit/(loss) before tax basis).

### (III) Liquidity risk:

The Group follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Group has a cash credit facility with banks to support any temporary funding requirements.

The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

### Liquidity table:

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

Particulars	As at 31st March, 2022			
	Within One Year	One to five years	More than five years	Total
<b>Financial instruments:</b>				
Borrowings	7,518.45	2,905.02	152.07	10,575.54
Trade and other payables	1,093.00	-	-	1,093.00
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>8,611.45</b>	<b>2,905.02</b>	<b>152.07</b>	<b>11,668.54</b>

(₹ In Lakhs)

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### (IV) Other price risk:

The Group is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2022. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

### Equity price sensitivity analysis:

There is minimum exposure to equity price risks as at the reporting date or as at the previous reporting date.

## 36. Segmental Information

### Business Segment

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM').

- a) Paper, Pulp and other products
- b) Moulded Products

The above business segments have been identified considering :

- a) the nature of products
- b) the differing risks and returns
- c) the internal organization and management structure, and
- d) the internal financial reporting systems

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Jagdeep Hira (Managing Director ), as explained in the Directors' Report section.

The measurement principles of segments are consistent with those used in Significant Accounting Policies.

Particulars	(₹ In Lakhs)		
	For the year ended 31st March, 2022		
	Paper	Moulded Product	Total
<b>REVENUE</b>	27,040.74	2,881.14	29,921.88
<b>RESULTS</b>			
<b>Profit/ loss before interest</b>	<b>6,146.30</b>	<b>521.62</b>	<b>6,667.92</b>
Less: interest	(541.45)	(394.08)	(935.53)
Unallocable Expenses	0.00	0.00	(127.71)
<b>Total profit before tax</b>	<b>5,604.85</b>	<b>127.54</b>	<b>5,604.68</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022		
	Paper	Moulded Product	Total
Provision for taxation	0.00	0.00	1,549.30
Net Profit	5,604.85	127.54	4,055.38
Other information			
Assets	28,349.84	3,774.07	32,123.91
Unallocable Assets	0.00	0.00	393.36
Liabilities	9,173.14	5,363.85	14,536.99
Unallocable Liabilities	0.00	0.00	2,419.26

### Additional Information by Geographies

Although the Group's operations are managed by product area, we provide additional information based on geographies.

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022
Revenue by geographical market	
Within India	22,266.54
Outside India	6,842.09
<b>Total</b>	<b>29,108.63</b>

All non current assets of the Group are located in India.

### Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products.

(₹ In Lakhs)

Particulars	Year ended 31st March, 2022
Paper, pulp and other products	26,160.47
<b>Total</b>	<b>26,160.47</b>



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Revenue from major customers

The Group is not reliant on revenues from transactions with any single customer and does not receive 10% or more of its revenue from transactions with any single customer in case of Paper and Pulp.

### 37. Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customers

#### I. Disaggregated revenue information for Revenue from Contracts with Customers

	(₹ In Lakhs)
Particulars	31st March, 2022
<b>Types of Goods</b>	
Paper	22,237.93
Pulp	3,331.86
Egg Tray	309.61
Bagasse Pith Pallets	281.07
Moulded products	2,948.16
<b>Total</b>	<b>29,108.63</b>
<b>Sales by Geographical location</b>	
India	22,266.54
Outside India	6,842.09
<b>Total</b>	<b>29,108.63</b>
<b>Sale Channels</b>	
Directly to Consumers	4,389.64
Through intermediaries	24,718.99
<b>Total</b>	<b>29,108.63</b>
<b>Sales by performance obligation</b>	
Upon Shipment/ Dispatch	29,108.63
Upon Delivery	-
<b>Total</b>	<b>29,108.63</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### II. Reconciliation between revenue with customers and contract price:

	(₹ In Lakhs)
Particulars	31st March, 2022
Revenue as per contracted price	29,129.58
Adjustments	
Discounts/ Rebates	(20.95)
<b>Revenue from contracts with Customers</b>	<b>29,108.63</b>

### III. Reconciliation of the revenue from contracts with the amounts disclosed in the segment information

	(₹ In Lakhs)
Particulars	31st March, 2022
Total revenue from contracts with customer	29,108.63
Total revenue as per Segment	
- Paper, pulp and other products	26,160.47
- Moulded products	2,948.16

### IV. Contract Balances

	(₹ In Lakhs)
Particulars	31st March, 2022
Trade Receivables	2,253.57
Contract Liabilities	440.90

### 38. Disclosure in terms of Ind AS 116

#### Operating Leases

##### As Lessee

##### Short term leases:

The Group has obtained premises for its business operations under operating leases of low value. These are not non-cancellable and are renewable by mutual consent of the parties.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

The same are shown under 'Rent' in the Statement of Profit and Loss as follows:

(Amount ₹ In Lakhs)	
Particulars	As at 31st March, 2022
Lease rent	37.82

### As Lessor

The following table sets out a maturity analysis of lease payments, showing undiscounted lease payments to be received after the reporting period.

(₹ In Lakhs)	
Particulars	As at 31st March, 2022
Within one year	1.69
Between one to five years	2.42
Beyond five years	-

### Finance Leases

#### Amounts recognised in the Balance Sheet

A Group has finance lease arrangement for various land leases for terms of 60-73 years. The carrying amount of these assets are shown below:

(₹ In Lakhs)	
Particulars	As at 31st March, 2022
<b>Land</b>	
Gross Carrying Amount	181.25
Accumulated Depreciation	16.47
Depreciation recognized in statement of profit and loss	2.32

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 39. Business Combination - Merger

#### Merger of Yash Compostables Limited

Hon. National Company Law Tribunal has approved the Scheme of Merger of Yash Compostables Limited ("YCL") with the Company vide its order dated 18th April 2022. As per the scheme the effective date of Merger was 1st April 2020. Accordingly, the financial performance of YCL for the financial year 2021-22 has been incorporated in the these financial statements and the financial performance for financial year 2020-21 has been incorporated in retained earnings. The difference between fair value of assets and liabilities as on 1st April 2020 and after taking into account 28,38,500 equity shares of Rs 10 Each to be allotted to the erstwhile shareholders of YCL as per the scheme is recognised as Goodwill of Rs. 408.80 lakhs which is accounted in the Consolidated Financial Statements.

#### Assets acquired and liabilities assumed

The fair values of the identifiable assets acquired and liabilities assumed as at the date of merger date i.e. 1st April 2020 were:

Particulars	Amount (₹ In lakhs)
<b>Assets</b>	
Property, plant and equipment	12.95
Inventories	8.62
Trade receivables	200.57
Cash and cash equivalents	17.95
Other assets	4.52
<b>Total assets (A)</b>	<b>244.61</b>
<b>Liabilities</b>	
Trade payables	386.12
Deferred tax liabilities	(45.35)
Other current liabilities	17.66
Provisions	11.13
<b>Total liabilities (B)</b>	<b>369.56</b>
<b>Net assets (A - B) = (C)</b>	<b>(124.95)</b>
<b>Shares to be allocated to YCL (D)</b>	<b>283.85</b>
<b>Goodwill (D) - (C)</b>	<b>408.80</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### Acquisition related costs

Acquisition related costs of ₹ NIL is paid towards transfer of assets.

### Impact of acquisition on there statement of profit and loss

Following is the extract of the audited statement of Profit and Loss of Yash Composatables Limited before merger.

Particulars	Amount (₹ In lakhs)
Total Income	1,945.42
Total Expenses	1,870.48
Profit/ (Loss) Before Taxes	74.94

### 40.Expenditure on Research and Development

Particulars	(₹ In Lakhs) For the year ended 31st March, 2022
Capital Expenditure	-
Revenue Expenditure	84.79

### 41. Subsidiary

#### Details regarding subsidiary

Particulars	Principal activity	Proportion of ownership interest and voting power held by the Group
Pakka Inc. USA	Marketing activitvy	100%

The above company is incorporate in USA.

### 42. Contingencies

Particulars	(₹ In Lakhs) For the year ended 31st March, 2022
Claims against the Group not acknowledged as debts:	
- VAT	12.74
- Guarantees given by Banks	641.29
- Letter of Credits	251.25
<b>Total</b>	<b>905.28</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 43. Capital and other commitments

Particulars	(₹ In Lakhs)
	As at 31st March, 2022
Estimated value of contracts remaining to be executed on capital account (net of advance paid)	555.56
Other commitments - EPCG licenses	302.39
<b>Total</b>	<b>857.95</b>

### 44. Other disclosures as per amended Schedule III-

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Group do not have any transactions with Companies stuck off.
- (iii) The Group has not been declared willful defaulter by any bank or financial institution or other lender.
- (iv) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

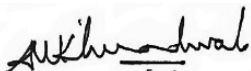
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our attached report of even date

For **C N K & Associates LLP**

*Chartered Accountants*

Firm Registration No.: 101961W/W100036



**Himanshu Kishnadwala**

*Partner*

Membership No.: 37391

Place: Mumbai

Date: 28th May 2022

For and on behalf of the Board



**Jagdeep Hira**

*Managing Director*

DIN: 07639849

Place: Ayodhya

Date: 28th May 2022



**Jignesh Shah**

*Chief Financial Officer*

Place: Ayodhya

Date: 28th May 2022



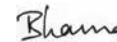
**N K Agrawal**

*Director Works*

DIN: 05281887

Place: Ayodhya

Date: 28th May 2022



**Bhavna Patel**

*Company Secretary*

Place: Mumbai

Date: 28th May 2022



## **Tribute to Mr. KK Jhunjhunwala**



May our beloved founding member's eternal vision of inclusive progress continue to be our guiding light.



**Yash Pakka Limited**

**Yash Nagar, Ayodhya,  
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