PAKKA
Packaging with a Soul

THE WORLD'S FIRST HOME COMPOSTABLE AND RECYCLABLE PAPER-BASED FLEXIBLE PACKAGING COMPANY

PAKKA LIMITED • **INTEGRATED ANNUAL REPORT, 2023-24**

Pakka has emerged as a global disruptor

Tribute to

Mr. KK Jhunjhunwala

May our beloved founder's eternal vision of inclusive progress continue to be our guiding light.

CONTENTS

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information.

‘**There** is a tide in the affairs of men,
Which, taken at the food, leads on to fortune;
Omitted, all the voyage of their life,
Is bound in shallows and in miseries.
On such a full sea are we now afloat;
And we must take the current when it serves,
Or lose our ventures.’

WILLIAM
SHAKESPEARE

WHAT TRADITIONAL COMPANIES ARE

- Limited to pulp and paper manufacture
- Conventional industry play
- Traditional resource use
- Generating moderate end product realisations
- Supplying to usual national packaging consumers
- Making the world cleaner – in a limited way
- Base material supplier
- Problem solver
- Doing the usual
- Addressing price-based and quality-based functional needs
- One among potentially many suppliers

HOW PAKKA IS DIFFERENT

Extending from pulp to paper to compostable packaging

Disruptive positioning

Unprecedented solutions provider

Can generate considerably higher realisations

Can potentially supply to global brands

Making the world cleaner – in a wider enduring way

Addressing a price-based and quality-based need

Sitting at the customer's strategic table

5

FIVE PRINCIPAL MESSAGES OF THIS ANNUAL REPORT

01 The company has emerged as a disruptor in the global packaging sector

02 The company has developed the world's first completely compostable and recyclable paper packaging

03 This packaging, developed from an agricultural by-product, is environment friendly

04 The company is making its largest investment to enhance manufacturing capacity – of pulp and paper

05 The combination of these developments – product innovation and capacity expansion – is expected to catalyse your company's responsibility, profitability and sustainability

PAKKA REPRESENTS THE COMING TOGETHER OF VALUES AND VALUE.

The former represents the idealism we bring to our business, reflected in the values we cherish and champion.

The latter represents the various choices we make in enhancing stakeholder value.

This combination makes us a refreshing contrarian committed to play a larger role in making the world greener and cleaner.

The values we cherish

Earth love: Our actions are guided by our deep affection for the environment and our commitment to protecting and preserving it.

Trust: We establish and nurture trust with our stakeholders through honest and transparent communication and actions.

Courage: We courageously express our thoughts and beliefs and work towards promoting freedom and taking responsibility.

Excellence: We continuously enhance our knowledge and skills to achieve excellence in all our endeavours.

Diversity: We recognize and celebrate the value of diversity and create an inclusive environment that encourages and supports individuals with different backgrounds, perspectives and experiences.

THE VALUE WE BRING TO OUR BUSINESS

■ Revenues from India **75%**
■ Revenues from outside India 25%

Legacy: In 1981, Yash Papers was founded by Mr. K.K. Jhunjhunwala, a visionary technocrat, with a focus on producing low-grammage kraft paper. Initially, your company commenced operations with an installed capacity to produce 1,940 TPA. Over time, it transitioned from producing pulp and paper to manufacturing eco-friendly packaging products, all the while maintaining a steadfast commitment to sustainability. In FY19-20, your company changed its name to Yash Pakka Limited, which was renamed Pakka Limited in 2023.

Board and management: The Board comprises Prashant Vasant Dhobale as Chairman, promoter Ved Krishna as Non-Executive Vice Chairman, Manjula Jhunjhunwala, Founder Director and eight other Directors. The Managing Director is Jagdeep Hira, supported by experienced professionals.

Brand: Your company promotes its compostable bagasse tableware under the CHUK brand, positioning these items as a viable alternative to non-sustainable polymer-based tableware. CHUK products are known for their ease of use and sturdy construction, making them popular within the food service industry.

Manufacturing plant: As of 31st March, 2024, your company's manufacturing facility was located in Ayodhya, Uttar Pradesh. The facility included a 130 TPD pulp mill capable of producing bleached and unbleached pulp, along with 3 paper machines with an installed capacity of 39,100 TPA. Additionally, the facility featured 2 power plants generating 8.5 MW of power from biomass, a 140 MT chemical recovery plant and 23 production lines dedicated to manufacturing 14.5 TPD of compostable tableware. These manufacturing capacities contributed to your company's competitive edge by providing economies of scale, enhancing competitiveness across market cycles.

130
TPD pulp capacity

39,100
TPA paper capacity

14.5
TPD tableware capacity

200
Kms, radius within which all our raw materials are sourced

6
% of women in our team

Revenues: In the FY23-24, your company derived 75% of its revenues from domestic operations in India, while the remaining revenue was generated over 31 countries. Export sales experienced a notable 4% growth in value, while domestic revenues saw a moderate decline year on year. Revenue streams were diversified, with 75% coming from paper sales, 11% from pulp, and 14% from compostable bagasse tableware.

Human resource: As of 31st March, 2024, your company comprised 465 full-time professionals. The average age of the workforce was 38.85 years, with women making up 6% of the total. Impressively, 58.28% employees had been with your company for five years or more.

Customers: Your company's customers for bagasse-based paper include renowned brands such as Borosil, RSPL Limited, Modern Laminators, Aditya Flexipack, Haldiram's, Chai Point, Blinkit, Bikanerwala, Lite Bite Foods and others.

Credit rating: Your company's credit rating was maintained at BBB for FY23-24 by the prominent credit rating agency CARE.

Listing: Pakka is listed on the National Stock Exchange with a trading permission on the Bombay Stock Exchange. Your company's market capitalisation was INR 1131.96 Crore (31st March, 2024) and the promoter's shareholding stood at 47.79% as on (31st March, 2024).

Certifications: Your company's product process and quality were validated by the following credible certifications: OHSI/1614, ISO, FSMS/1164, CIPET, USFDA 21 CFR 176:170, ISO 14001:2015, QMSI/1612, ISO 9001:2015 and QMSI/1613

31
Number of countries where our products are sold

Awards and recognitions

Your company has been awarded the following certifications:

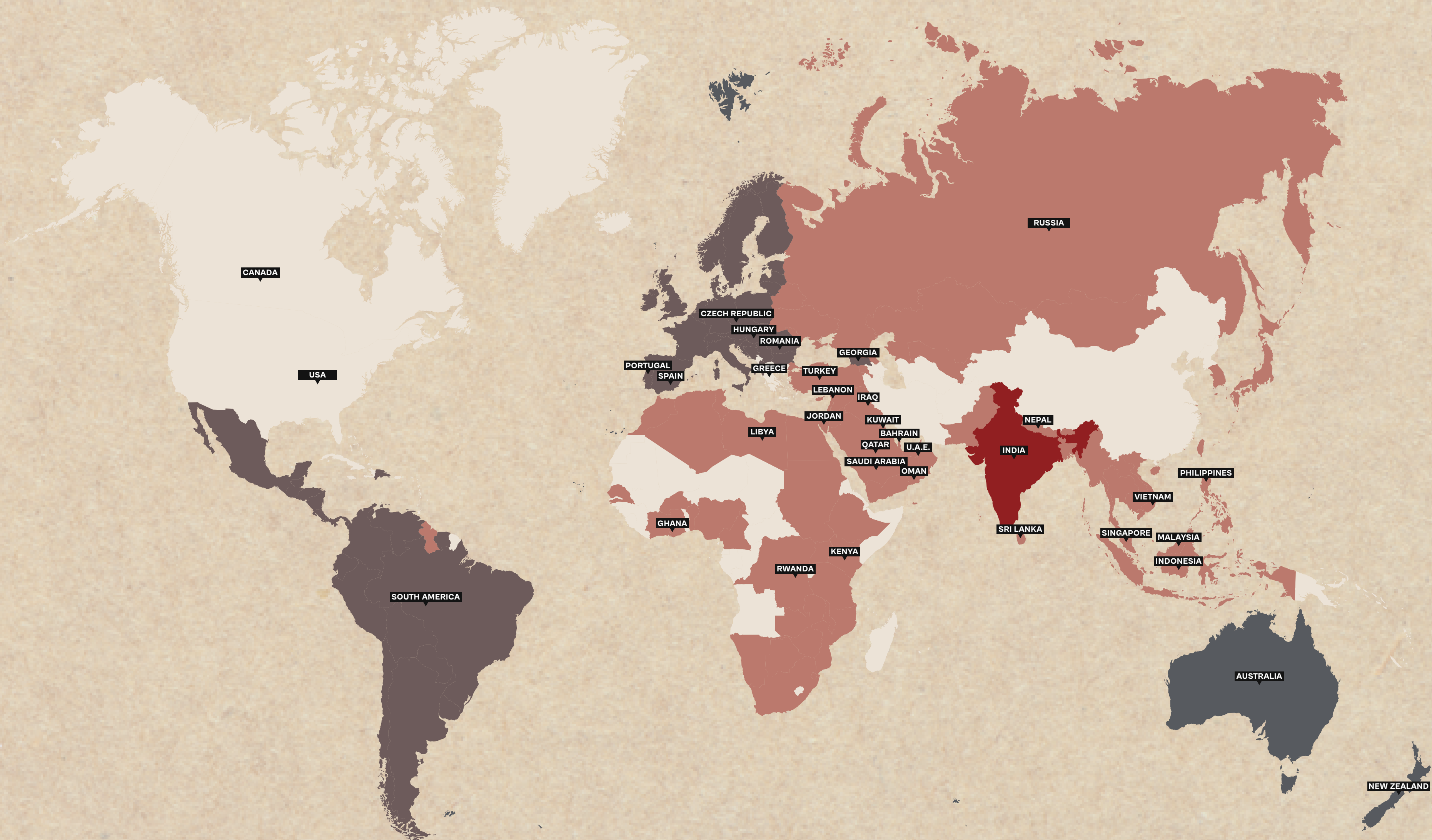
2022

- CII National Award for Excellence in Water Management in 2022.
- Great Place to Work certified

2023

- 'Top 50 India's Best Workplace in Manufacturing 2023' in 'Great Place to Work'
- First prize for Energy Conservation in the Pulp and Paper Sector in Uttar Pradesh – UPNEDA.
- CII National Award for Excellence in Water Management in 2023

OUR GLOBAL GEOGRAPHIC PRESENCE



OUR BIG PICTURE

AT PAKKA, WE RECOGNISE THAT THE TIME TO MAKE THE BIG MOVE IS NOW

WHERE WE ARE

263.03
INR Crore, Pakka gross block as on 31st March, 2024

404.74
INR Crore, Pakka revenues in FY23-24

WHERE WE INTEND TO GO

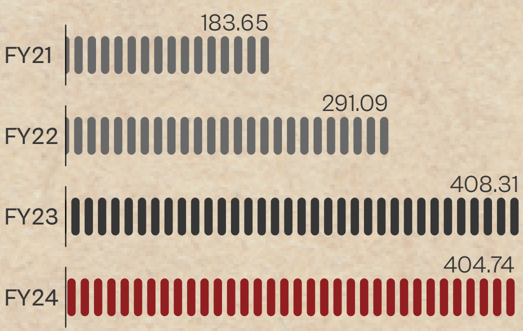
- Initiate sales operations in the Americas
- Build a sales pipeline for flexibles and launch delivery solutions
- Complete business analysis and develop an Americas roadmap
- Strengthen the organisational structure and operating model

Transforming our positioning

Today: Bagasse pulp and paper manufacturing company
Tomorrow: Innovative compostable packaging solutions provider

OUR PERFORMANCE OVER THE YEARS

Revenues
(in INR Crore)

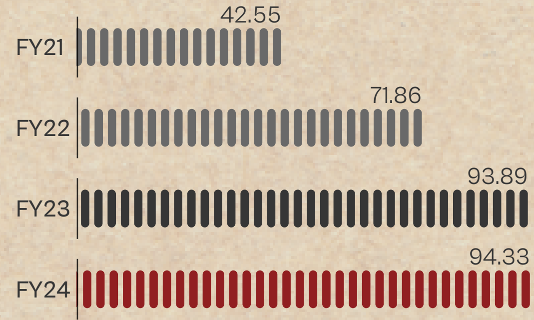


Why this is measured
It is an index that showcases your company's ability to maximise revenues, which provides a basis against which your company's success can be compared with sectoral peers.

What this means
Your company reported a 1% decline in sales revenue to INR 404.74 Crore.

Value impact
Your company's revenue shows an increasing trend, when seen from a medium-term perspective. This is the outcome of strategic measures taken by your company.

EBITDA
(in INR Crore)

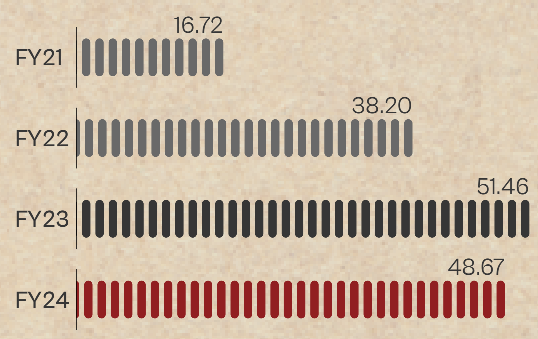


Why this is measured
It is an index that showcases your company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means
Helps create a robust surplus, generating a growth engine that enhances reinvestment.

Value impact
Your company reported an EBITDA growth of 1% in FY23-24.

Net profit
(in INR Crore)

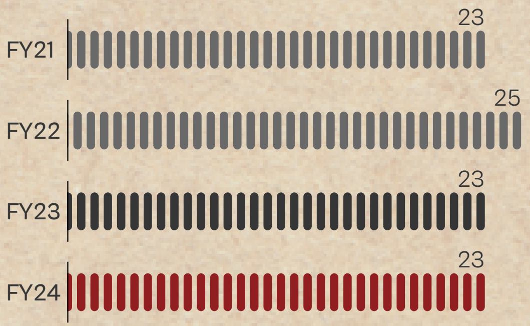


Why this is measured
It highlights the strength of the business model in enhancing value for shareholders.

What this means
This ensures that adequate cash is available for reinvestment, strengthening a virtuous cycle of business sustainability.

Value impact
Your company reported a de-growth in profit from INR 51.46 Crore in FY22-23 to INR 48.67Crore in FY23-24.

EBITDA margin
(%)

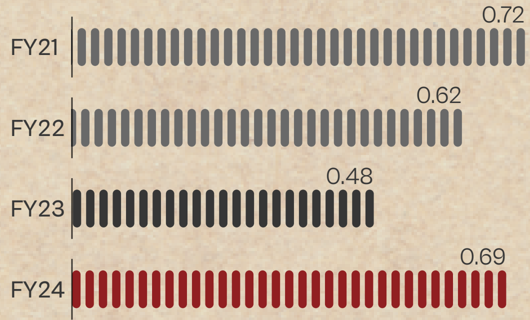


Why this is measured
The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Value impact
Your company's EBITDA margin stood steady at 23% in FY23-24.

Gearing
(x)

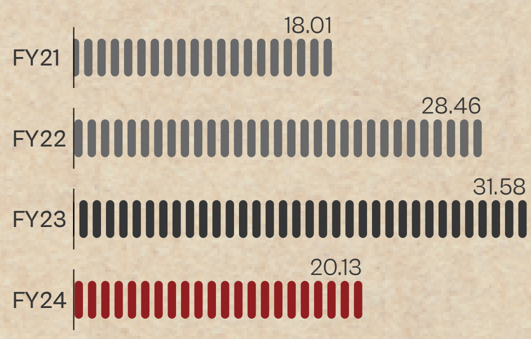


Why this is measured
Gearing is calculated to determine the extent to which a company's capital is funded by debt versus equity. It provides an insight into financial risk, leverage, solvency, and your company's ability to address debt obligations and generate superior shareholder returns.

What this means
Gearing in finance refers to the ratio of a company's debt to its equity, indicating its reliance on debt financing relative to equity. It reflects the level of financial leverage and risk undertaken.

Value impact
The gearing for the year under review stood at 0.69, which is considered reasonable.

RoCE
(%)



Why this is measured
RoCE, or Return on Capital Employed, is a financial metric used to evaluate the efficiency and profitability of a company's capital investments. It measures the percentage of profit generated relative to the capital employed in the business.

Why this is measured
RoCE is calculated to assess how efficiently a company is utilising its capital to generate profits. It provides insights into the effectiveness of a company's capital investments and helps investors and analysts evaluate your company's overall financial performance and management effectiveness.

Value impact
The RoCE for the year FY23-24 was 20.13%

THE RATIONALE FOR THE EXISTENCE OF PAKKA IS ALL AROUND US

Extensive plastic waste across the world's natural eco-system represents an increasing risk to all living beings - and an unprecedented opportunity for Pakka

Microplastics: A growing threat

Microplastics, plastic particles less than 5 millimeters in size, represent a growing marine concern.

Marine animals ingest around 55 Billion microplastic particles each year.

Marine species, from plankton to whales, mistake microplastics for food leading to intestinal blockages and malnutrition.

Microplastics absorb harmful chemicals from the water, which then bioaccumulate in the food chain.

Microplastics smother coral reefs and affect the behaviour of marine organisms.

Plastic debris, including microplastics, can damage fishing gear, reduce catch, and contaminate seafood. They impact coastal economies reliant on tourism on account of coastal erosion infrastructure impairment. Plastic waste could cost the global tourism industry USD 13 Billion annually by 2030. (Source: Mckinsey Report)

Big numbers as of 2023

171
Trillion plastic particles, total plastic in oceans

1.1 to 2.4
Million Metric Tonnes, plastic waste in rivers

8 to 13
Million Metric Tonnes, plastic entering oceans annually

79
% of all plastic waste accumulated in landfills, dumps or the natural environment with only 9% being recycled and 12% incinerated

(Source: Science advances)

1.8
Trillion pieces of plastic, size of the great Pacific garbage patch

Note: The numbers are estimates; actual numbers could be higher

HOW PAKKA IS RAPIDLY EVOLVING ITS CORE...

In line with the rising needs of India and the world

Earlier		Now
We focused on making gradual improvements	▶	We are channelling investments into ground-breaking innovations in compostable packaging
We developed our team internally	▶	We are hiring a variety of subject matter experts
We concentrated solely on manufacturing in India	▶	We are evaluating opportunities in global manufacture
We concentrated on maximising output from our existing capacity	▶	We are on the verge of making our largest investment in capacity expansion
We maintained relationships with national trade partners	▶	We are expanding into global networks, partnerships and influencer circles
We were focused on pulp and paper, distinguished by high quality standards.	▶	We are shifting our focus towards packaging barriers, opening up broader market opportunities.
We carried a significant amount of debt.	▶	We now enjoy a near debt-free status with enhanced liquidity.
We were engaged in the production and marketing of commodity products like pulp and paper.	▶	We are branching into specialised paper grades and branded compostable tableware.
We were structured hierarchically with a focus on the 'what'.	▶	We are evolving into a self-managed organisation with an emphasis on the 'how'.
We once primarily manufactured back-end products for institutional clients.	▶	We are transitioning to producing consumer-facing products.

FAST MOVING CONSUMER GOODS COMPANIES ARE LEADING THE WAY IN SUSTAINABLE PACKAGING

Overview

The era when single-use plastics were widely accepted for nearly all products is declining. As environmental awareness grows, businesses will need to adapt to changing consumer expectations.

The growing importance of sustainability

The landscape of consumer behaviour is undergoing a transformation. With climate change becoming increasingly evident, sustainability has become a core value for consumers. Studies indicate a 71% increase in online searches for sustainable goods; 66% consumers consider sustainability when making luxury product purchases. Ethical consumerism is driving a preference for products with sustainable packaging (recyclable or eco-friendly).

Sustainable packaging

India's FMCG sector, the fourth largest in the country's economy, is projected to grow at a CAGR of 27.9% during 2021 to 2027, to reach approximately USD 616 Billion by 2027. In line with this growth, the responsibility to adopt sustainable practices becomes pressing. The concept of packaging sustainability encompasses a broader perspective that goes beyond waste management and landfill reduction. In packaging, this translates to the 'four Rs': reduce, reuse, recycle and recover - which guide the design and development of truly sustainable packaging solutions.

The Indian government's Extended Producer Responsibility guidelines set mandatory targets for producers, importers and brand owners regarding the reuse of rigid plastic packaging, recycling of plastic packaging waste and the incorporation of recycled plastic in packaging. For compostable plastic packaging, the EPR target is 100% from FY23-24. These guidelines are designed to promote sustainable product design and support the transition to a circular economy.

Sustainable packaging presents opportunities and challenges. Initial investments in research, development and the adoption of sustainable materials can be substantial, warranting a long-term perspective. Transitioning to sustainable materials requires collaboration across the entire supply chain, involving suppliers, manufacturers and retailers. As consumer preferences shift towards sustainable packaging, companies must develop effective communication and marketing strategies to highlight environmental benefits and address potential concerns.

The convergence of government regulations, evolving consumer expectations and increasing environmental awareness presents an opportunity for the FMCG sector to embrace sustainable packaging solutions. By leading this shift, FMCG companies can contribute to a cleaner, greener future for India and the planet.

PROMINENT FMCG COMPANIES ARE DRIVING THE SUSTAINABLE PACKAGING MOVEMENT

This represents a growing addressable market for Pakka

Nestlé

By the end of 2023, Nestlé reported that 83.5% of its packaging was designed for recycling. The company focused on gradually phasing out certain plastic types and additives from operations. In the previous year, 41.5% of its packaging had been made from recycled or renewable materials.

Coca-Cola

Coca-Cola launched its 'World Without Waste' initiative, aiming to collect and recycle a bottle or can for everything it sells by 2030. The company invested in plant-based and recycled PET bottles as a part of its sustainable packaging goals.

Mars, Incorporated

Mars committed to using 100% recyclable, reusable, or compostable packaging by 2025. The company explored innovative materials like biodegradable films and paper-based wrappers for its chocolate products to meet sustainability objectives.

Procter & Gamble (P&G)

P&G aimed to reduce packaging materials by 50% by 2030 and increase the use of recycled content across its product lines. The company focused on reusable packaging through partnerships with platforms like Loop, which offer refillable containers for P&G products.

Unilever

Unilever committed to make all of its plastic packaging reusable, recyclable, or compostable by 2025. The company also aimed to halve its use of virgin plastic and increase the recycled plastic content in its packaging. For rigid plastics, Unilever targeted 100% recyclability by 2030, with a goal to achieve the same for flexible plastics by 2035.

ITC

Sunfeast Farmlite, under ITC, led the biscuit category with an industry-first 100% outer paper packaging for its digestive biscuit family pack. This packaging innovation showcased the brand's commitment to reduce plastic use and promote sustainable choices. ITC's paperboards business offer a range of recyclable and biodegradable boards for the food and beverages, takeaway segments and indoor advertising markets.

TATA Tetley

The new Tetley packaging is designed entirely from recyclable cardboard and food-grade inks, eliminating the need for plastic outer films or inner bags. These packs are recyclable through standard cardboard channels. The tea bags are made from plant-based materials, enhancing the product's sustainability credentials.

(Source: ET Insights, The Coco-Cola Company, Snack Food & Wholesale Bakery, P&G, Unilever, Food TechBiz, Ibef.org)

The growing role of Pakka Limited

Pakka Limited is a key player in the area of sustainable packaging, offering eco-friendly solutions, particularly for the FMCG sector. The company specialises in biodegradable and compostable materials made from agricultural waste and recycled paper. Pakka collaborates with FMCG giants, helping them transition to sustainable packaging through custom designs that meet environmental standards. Focused on circular economy principles, Pakka drives innovation in plant-based materials, recycling initiatives and responsible disposal practices, catalysing the shift towards green packaging.

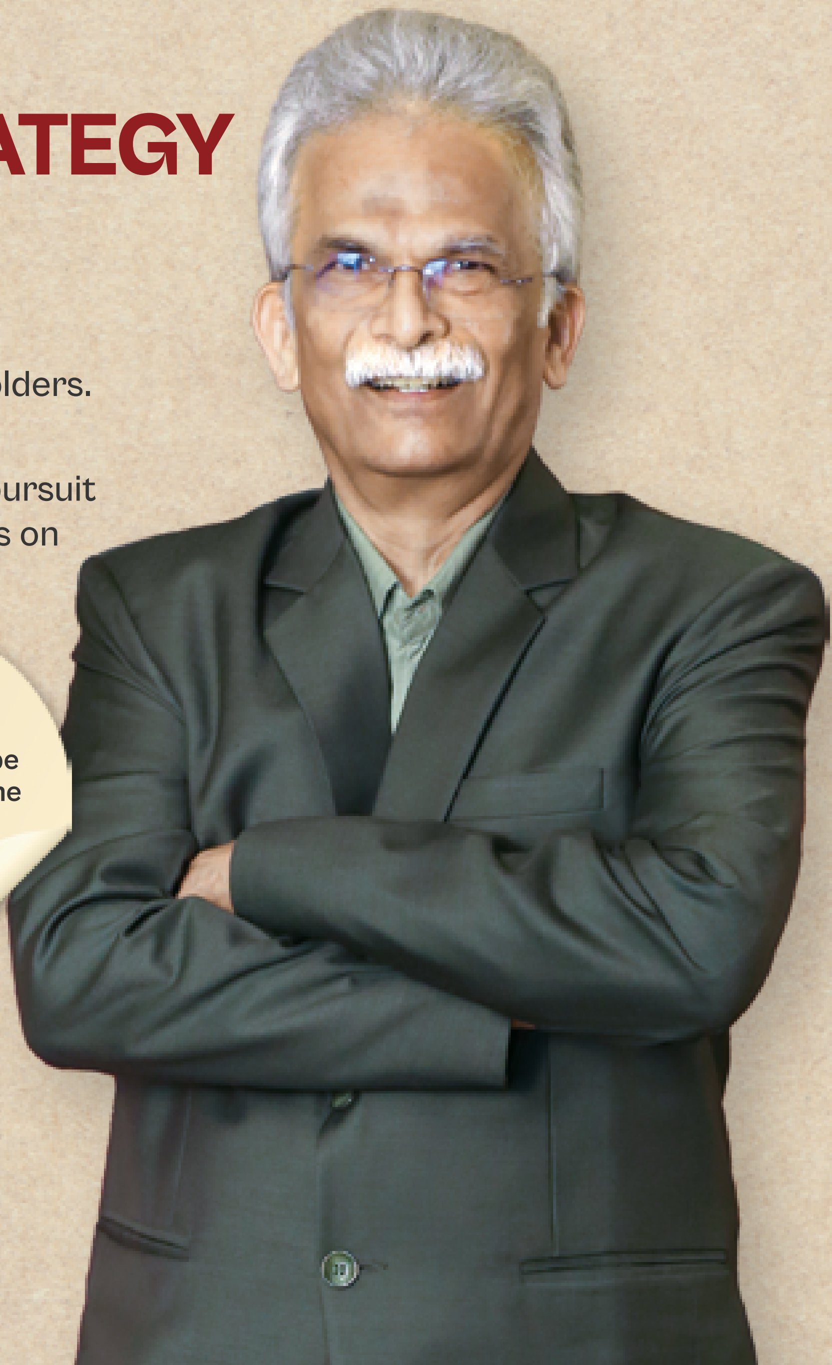
CHAIRMAN'S MESSAGE

IMPACT AT SCALE: STRATEGY EXECUTION

I extend warm greetings to shareholders and other stakeholders.

During the year gone by, your company, Pakka, continued its pursuit of profitable growth with a focus on sustainability and innovation.

The coming 2-3 years are going to be transformative in the history of Pakka.



Macroeconomic situation

The global economy slowed from a growth of 3.2% in 2022 to 2.7% in 2023, according to a World Bank report. There seems to be a stabilisation of the economy going forward with a growth projection for 2024 at 2.6%, despite flaring geopolitical tensions and high interest rates. This is still lower than the 3.1% average in the decade before the Covid-19 pandemic. Under these sluggish global conditions, the Indian economy has shown remarkable resilience with a robust GDP growth of 8.2% in FY23-24, up from the previous year's 7.2%. India's manufacturing sector showed a stellar performance at 11.6% growth. Considering the recent elections outcome showing a continuity of government and its policies as well as the Indian Meteorological Department's projections of a normal monsoon, the Indian economy is expected to exceed the RBI projections of 7.2% in FY24-25.

Indian paper industry and Pakka

From the paper industry's point of view, a sluggish global economy adversely affected the performance in India. Lower absorption of output, particularly in Europe, caused a glut in supply leading to large imports into India, causing a substantial price drop. The industry as a whole delivered a deteriorating financial performance, with many players showing a significant drop in profits. Under these circumstances, your company Pakka did well in maintaining its profit levels. I would like to congratulate Team Pakka and the leadership for this relatively superior performance. Particularly noteworthy was the performance of the molded products vertical, which grew an impressive 28% in top line and recorded profits for the first time. The innovation team at Pakka Impact also made significant progress in improving the quality of products and developing compostable solutions to replace plastic-based flexible packaging.

Plans

While we look back with satisfaction at the year gone by, we need to be cognizant of the unfinished agenda. The coming 2-3 years are going to be transformative in the history of Pakka. The leadership has already articulated its vision of contributing to a cleaner planet at scale by doubling the manufacturing volume and tripling turnover at the Ayodhya plant. The global footprint being envisioned is of the order of 250,000 Tonnes per annum and turnover of USD 1 Billion. As a concrete step in realising this vision, your company founded a subsidiary Pakka Inc. in the USA a couple of years ago and moved the Vice-Chairman Ved Krishna to lead the ambitious initiative. Considerable progress has been made in terms of identifying the country and exact site for a new global factory, tying up the raw material and energy supplies, developing off-take agreements, and tying up the funding arrangements. An organisational structure has been put in place for the timely and effective implementation of the project.

Impact at scale: From strategy to flawless execution

While Pakka has been contributing to the cleaner planet mission, we were conscious of the small scale of our operations. The aforementioned audacious vision will grow our footprint six times in volume terms, taking us closer to our dream of impact at scale. The strategy is in place. It is the flawless execution that the management is now focusing on, under supervision of the Board, to take us to the cherished goal.

The Board has advised the management to focus on the key elements of successful execution viz alignment, performance management, accountability, bias for action and rewards. A well-conceived plan provides a roadmap, outlining goals and pathways. However, without meticulous implementation, even the best strategies can falter. Execution transforms ideas into reality, involving precise actions, timely decisions, and adaptive problem-solving. Companies that excel in execution anticipate challenges and swiftly adjust to changing circumstances. Ultimately, while strategy sets the vision, it is flawless execution that drives tangible results, distinguishing successful companies from those that merely aspire to be. Your company is taking confident strides in its pursuit of creating impact at scale for a cleaner planet, keeping in mind the interest of all stakeholders.

The Board and the management count on your support, as always.

Best wishes,

Pradeep Dhobale
Chairman

Your company is taking confident strides in its pursuit of creating impact at scale for a cleaner planet, keeping in mind the interest of all stakeholders.

GOVERNANCE OVERVIEW

AT PAKKA, WE HAVE GOT HERE THROUGH OUR GOVERNANCE COMMITMENT; WE EXPECT THIS TO ONLY DEEPEN AS WE GO AHEAD FROM HERE

Overview

At Pakka, we have progressively evolved from a promoter-driven business into a promoter-cum-professional-driven enterprise. This has been the single biggest transformation at your company during the last decade. What this has done is evolve your company from the conventional to a futuristic format; it has created roles for each employee; it has ensured that each employee possesses a large and relevant role within the organisation.

New foundation

In a command structure, the promoter would have played a dual role: identified the corporate direction and engaged in the business hands-on. The result is that the promoter would have controlled every segment of your company's business, irrespective of whether the promoter was fit for both roles, or not. Often companies are created on account of the promoter's strategic clarity; however, as time passes, the promoter extends from the role he or she is most empowered to play to another role that he or she may not be good at. This is where the biggest governance compromise takes place – the misapplication of resources at a point where this is most critical. This is precisely the problem that Pakka corrected in the last few years, creating a foundation for sustainable multi-year growth.

New role for the promoter

This played out at two levels with visible financial outcomes. At one level, it helped create a new role for the promoter. In his previous role as promoter, Ved was based in Ayodhya or Lucknow, where he was always within an arm's length of the manufacturing and related operations. Even though the responsibility for growing these functions had been allocated to designated individuals, there was always a feeling that they were playing their roles as defined by the promoter. The result was a corresponding decline in the quality of ownership that prevented the concerned individuals from playing their roles to their full potential.

There was a decisive change in this approach a few years ago. The promoter divested completely from a hands-on engagement, moved to another country, and assumed the strategic responsibility of growing the international business.

This had a win-win outcome at Pakka: from a largely domestic focus (with a moderate proportion of revenues being generated from exports), your company has made a decisive leap: the domestic operations going deeper in scope and sophistication and your company seeking to create a considerably larger international operation. Seldom in the last few years has an Indian company sought to make as dramatic a shift in its purpose through a simple restructuring of the role of the promoter and senior management. This restructuring could redefine the existence of Pakka going ahead, transforming what was for long an Indian company with a modest global exposure into a global organisation with an Indian origin. This restructuring could translate into substantial value discovery going ahead.

Superior outcome

Following the role restructuring described, Pakka has transformed its financials. Until FY17-18, your company would report revenues of INR 205 Crore and EBITDA of INR 40.23 Crore; in FY23-24, revenues were INR 404.74 Crore and EBITDA was INR 94.33 Crore. Your company's legacy EBITDA margin climbed from 19.64% to 23.30% during the last financial year. This is the most visible showcase of your company's governance-driven transformation; it was achieved by the simple segregation of the role of the promoter and the senior managers, which translated into the former looking at how he would graduate your company into the next league and the former seeking to sweat all available resources for enhanced profitability.

Governance more relevant now

There is a good reason why this segregated role clarity is more relevant now than ever. One of the most decisive outcomes of the last financial year was a direct offshoot of the promoter seeking to play only a strategic role. The promoter recognised that the next round of growth at your company would be derived not from doing more of the same but more of the different. The promoter was allocated a role: graduate your company to home compostable and recyclable flexible packaging paper. This was a completely unchartered territory not only for your company but also for the world at large (resulting, among other things, in littered oceans and land tracts the world over). The promoter evangelised the priority, attracted like-minded research professionals, commissioned an Innovation Centre in Bangalore and kickstarted your company's endeavour in finding this elusive global solution. The singular vision ('develop at all costs and do not be intimidated by the challenges') was the singular value that the promoter brought to the table. He did not just help create a vision, attract a team and allocate resources; during the year under review, the team delivered what is a global product development breakthrough with transformational revenue and profit implications. This could not have transpired if there had been no governance restructuring within your company a few years ago.

Going ahead

The promoter's role will represent a coming together of some priorities for which he will be accountable to the Board and how the senior managers will report their periodic progress to him for approval. This balance is important: at one role he will live the role of a player and at another level he will play the role of a coach. In his role as a player, he will graduate to the next big responsibility: leverage all the rich Pakka experience of transforming bagasse into more pulp, paper and compostables and replicating this knowledge cum model across other countries (starting with Guatemala). He will focus on transforming Pakka from an Indian company into a global enterprise.

Aligned priorities

Pakka is engaged in the manufacture of an agro-derived product that seeks to replace plastic for specific packaging applications. This is what the world critically needs; Pakka's business model is likely to be perpetually relevant. The Board has advised the Pakka management to focus on performance management, accountability, bias for action and rewards. Pakka is taking confident strides in its pursuit of creating at scale for a cleaner planet.

Your company announced its intention to double volumes and treble turnover across the foreseeable future. This disproportionate aspiration is warranting a high governance discipline, marked by the right organisational structure, operating protocols, empowerment, risk management and the creation cum composition of Board committees (Non Statutory Strategy Committee). The complement of these realities provides the confidence that your company is prepared to graduate to the next orbit.

Your company announced its intention to double volumes and treble turnover across the foreseeable future. This disproportionate aspiration is warranting a high governance discipline.

STRATEGIC OVERVIEW

PAKKA IS AT THE CUSP OF A DESTINY-TRANSFORMING CHANGE

Ved Krishna

Non-Executive Vice Chairman, explains the transformation of Pakka across the last decade

The big message

The big message that one needs to communicate in this Annual Report is that Pakka successfully developed the world's first home compostable and recyclable paper-based flexible packaging during the year under review.

This represents a landmark in the global flexible packaging sector.

This Pakka development represents a decisive answer to a long-standing global pursuit of responsible packaging that could be completely composted and recycled.

This combination – compostable and recyclable - is unique and can potentially transform the flexible packaging sector the world over.

This development addresses a growing global concern of plastic flexible packaging being rampantly landfilled and left to rot in oceans away from sight and mind.

This product innovation represents a decisive answer to humankind's need to consume a range of everyday products without creating a multi-decade waste disposal challenge for the planet.

This product development represents our commitment to leave the earth cleaner and greener for succeeding generations.

Most importantly, the development of this product represents hope that it is indeed possible to decouple increased consumption and economic activity from environmental degradation, serving as a win for holistic responsibility and sustainability.

Development

Pakka's ground-breaking development of home compostable flexible packaging represents the outcome of the vision of our founder that one day your company would not only be among the largest agro-based paper manufacturers of the world but also the best.

Pakka stands at the cusp and threshold of an exciting future where it will push the frontiers of developed applied sciences to create a mass consumption solution across the world.

Pakka's home compostable solution ensures that its flexible packaging will completely biodegrade within 180 days, compared with alternatives that could take a few hundred years to completely decompose and disappear in the soil.

Pakka's development has been successfully applied in the packaging of fast-moving consumer products like chocolates, granola bars, nuts and shampoos; this coverage will now be widened to a larger number of products of everyday consumption.

Pakka's development has reconciled the successful interplay of the right agro-based paper, necessary grammage, effective barrier properties, product integrity, right costing and adequate shelf life, translating into a successful and viable eco-friendly packaging solution.

Pakka's endeavour to widen the application of its development across a larger range of products underlines its commitment to extend the benefits of this breakthrough to the last person standing.

Pakka's development has been tried, tested and validated by an FMCG brand; the time has come to commercialise the benefits of its extensive research for prominent FMCG brands and make a wider societal change.

Why this was necessary

We encountered a range of responses ('Your company does not possess the immediate Balance Sheet to address the vast of the opportunity' and 'You have not been doing too bad in making pulp and paper from an agricultural resource so why not do more of the same?' and 'If the others have not succeeded at this, what is the guarantee that you will?' and 'This development could stretch your company financially and managerially, putting stakeholder value at risk.').

Virtually every single response from outside of Pakka indicated that even as we were directionally right, we should be more cautious. The operative words were 'wait and watch' and 'proceed cautiously.'

At Pakka, we did neither.

Commission a greenfield flexible packaging capacity by

40,000
TPA

To have waited and watched would have been tantamount to abdicating our individual and corporate responsibilities to make the world a better place; to have proceeded with caution would have mismatched the urgency to make the world cleaner. We recognised that such a chance comes but once in a lifetime; we had everything going for us – Balance Sheet, knowledge capital, back-end resource and corporate intent – and we would have squandered the opportunity to 'make a dent in the universe.'

Pakka addressed the extensive skew in risk and reward. It recognised that if it succeeded in the development of a home compostable and recyclable solution, the upside would be destiny-transforming for the world, company and stakeholders; if it failed, the downside would at worst impact your company's bottomline for a quarter in product development write-offs. In view of the reality advantage being loaded completely in your company's favour, caution would have affected stakeholder value.

Pakka also recognised that with the core business of agro-based pulp and paper manufacture turning increasingly profitable – on account of a coming together of scale, integration and value-addition - it was imperative to not merely do more of the same but more of the different.

Pakka raised its game: the manufacturing of agro-based paper would generate at best a realisation of USD 1000 a tonne; by extending the same paper to a sophisticated packaging solution, your company now expects to generate a four-fold increase in realisation.

In view of this, the development of this new age flexible packaging solution is expected to be good for customers, country and world.

Taking this ahead

At Pakka, this momentous product breakthrough will now need to be scaled.

Your company will need to complement the proof of concept with adequate manufacturing capacity that assures customers of sustainable supply.

In our Indian operations, this will warrant an expansion at three levels:

One, your company intends to increase its agro-based pulp capacity from 130 TPD to 180 TPD, which should increase annual pulp throughput by 16500 Tonnes. This larger pulp availability will provide your company with a larger resource foundation with which to service the needs of a potentially new market for compostable and recyclable flexible packaging paper.

Two, your company intends to increase the capacity of wrap and carry products by 5000 TPA (in addition to the existing 40,000 TPA), widening the room for applications.

Three, your company will commission a greenfield flexible packaging capacity by 40,000 TPA, adequately synced with the pulp manufacturing capacity at the back-end, providing product and operational integration.

The resizing of our available capacities and introduction of a new downstream capacity represents the foundation of our reinvented organisation.

The Biological Metabolism

A biological nutrient is a material or product that is designed to return to the biological cycle-it is literally consumed by microorganisms in the soil and by other animals. Most packaging (which makes up about 50% of the volume of the municipal solid waste stream) can be designed as biological nutrients, what we call products of consumption. The idea is, to compose these products of materials that can be tossed on the -liter- ground or compost heap to safely biodegrade after usually to be consumed. There is no need for shampoo bottles, toothpaste tubes, yogurt and ice-cream cartons, juice containers, and other packaging to last decades (or even centuries) longer than what came inside them. Why should individuals and communities be burdened with downcycling or landfilling such material? Worry-free packaging could safely decompose, or be gathered and used as fertilizer, bringing nutrients back to the soil. Shoe soles could degrade to enrich the environment.

Soaps and other liquid cleaning products could be designed as biological nutrients as well; that way, when they wash down the drain, pass through a wetland, and end up in a lake or river, they support the balance of the ecosystem. In the early 1990s the two of us were asked by DesignTex, a division of Steelcase, to conceive and create a compostable upholstery fabric, working with the Swiss textile mill Röhne We were asked to focus on creating an aesthetically unique fabric that was also environmentally intelligent. DesignTex first proposed that we consider cotton combined with PET (polyethylene terephthalate) fibers from recycled soda bottles. What could be better for the environment, they thought, than a product that combined a "natural" material with a "recycled" one? Such hybrid material had the additional apparent advantages of being readily available, market-tested, durable, and cheap.

(Source: Extraction from the book Cradle to Cradle. Re-making the way we make things by Michael Braungart and William McDonough)

Protecting stakeholder interests

Even as we are engaged in the largest expansion in our existence, it would be pertinent to indicate that the Pakka management will not compromise the quality of its Balance Sheet.

Your company has embarked on the INR 675 Crore expansion with robust fundamentals, which are not likely to be irrevocably impaired or compromised if the expansion is marginally delayed.

Your company finished the year under review with INR 110 Crore in long-term debt and INR 265 Crore in net worth, indicating that it is virtually debt-free (gearing of 0.42). Even though pulp and paper prices were under pressure during the last financial year, your company reported an interest cover of 10.66 and Debt/EBITDA of only 1.93.

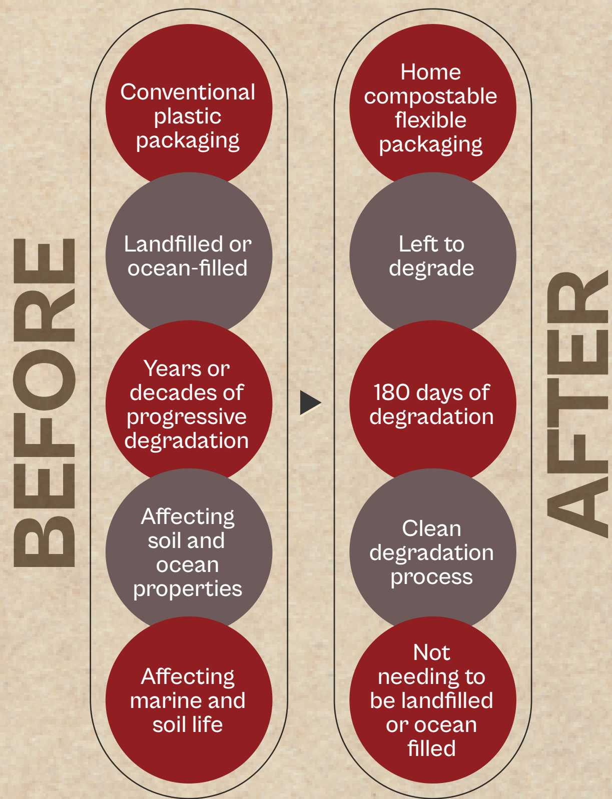
Besides, the existing scale, revenues and profitability of your company remains assured, a credible foundation on which to build the business.

I am pleased to communicate that your company achieved financial closure of the proposed expansion; the expansion is likely to commenced in 2023 and be fully commercialised by December 2025.

I am confident that the developments of the last year – in terms of product development breakthroughs and the financial closure of the expansion – represent the foundation of a reinvented Pakka.

Your company is at the cusp of a destiny-transforming change and I welcome you to remain invested with our company.

Your company has embarked on the INR 675 Crore expansion with robust fundamentals, which are not likely to be irrevocably impaired or compromised if the expansion is marginally delayed.



HOW WE INTEND TO ENHANCE VALUE

- Procurement of bagasse raw material
- Manufacture of agro-based pulp
- Manufacture of agro-based paper
- Proposed manufacture of flexible packaging paper
- Completely recyclable and home compostable properties
- Cleaner planet

OUR INNOVATIVE PRODUCT DEVELOPMENT

- Right agro-based paper
- Necessary grammage
- Effective barrier properties
- Preserving product integrity
- Adequate shelf life
- Right costing

Successful and viable eco-friendly packaging solution

OUR DECISIVE GROWTH APPROACH

- Successful pilot project
- Proposed investment
- Enhanced manufacturing capacity
- Integration from pulp to flexible packaging paper
- Enhanced value-addition

BUSINESS EXCELLENCE

"WE SUSTAINED A HIGH CAPACITY UTILISATION IN FY23-24, RELATIVELY PROTECTING BUSINESS OUTCOMES"

Jagdeep Hira

Business Head – Pulp and paper, communicates how your company deepened its manufacturing excellence during the year under review

Highlights, FY23-24

Wrap & carry paper segment
97% efficiency
400 bps from FY22-23

Pulp production segment
99% efficiency
400 bps from FY22-23

Highest ever wrap & carry paper production
41,304 MT in FY23-24 vs 39,769 MT in FY22-23

Highest ever pulp production
10,537 MT in FY23-24 vs 10,134 MT in FY22-23

Highest ever paper export sales (28% of total sales)
11,418 MT in FY23-24 vs 10,775 MT in FY22-23

Commercialised 22 gsm production for the wrap segment
~357 MT in Q4 FY23-24 vs 40 MT in Q3 FY23-24

Q: What is the big message that you wish to communicate?

A: The big message is that your company sustained manufacturing improvements made in FY22-23 during the last financial year as well. This validated that the improvements made in the previous year were not one-off; this endorsed that we have established a culture of manufacturing outperformance. The operative word is 'culture'; this one reality ensures that we have graduated from the fleeting to the enduring from the one-off to the ongoing.

Q: What were some of the improvements during the year under review?

A: There was a sustained commitment to enhancing output and capacity utilisation. There was a sustained focus on enhancing process efficiency (improved yield), quality consistency and deeper product customisation. The convergence reinforced our brand around the recall that 'Pakka cares for our business.'

This improvement was evident in the numbers. Your company reported a 3.85% increase in its wrap and carry paper production to 41,304 MT in FY23-24, a 3.97% increase in its pulp production to 10,537 MT in FY23-24, the highest paper exports as a percentage of sales (28%) at 11,418 MT in FY23-24 and commercialisation of the 22 gsm production for the Wrap segment.

Q: What factors drove this improvement?

A: Your company continued to make selective capital expenditure, which were either maintenance-based or project-based (with deadlines). This approach made it easier to predict what needed to be expended as a matter of course or what spending would generate what returns. The combination of these priorities made it possible for your company to generate more out of its given fixed asset, creating a base for superior economies, value-addition and volume growth.

Q: What were the outcomes?

A: Your company continued to develop new paper grades, reinforcing your company's respect for pushing the portfolio frontier. This approach generated various positive outcomes. The addition of these products helped enhance volumes, widen the portfolio and strengthen realisations. Your company reported a 6% volume export growth. There was improved bagasse pulp quality, decline in grammage and moisture variations across production batches, and enhanced customer traction. The PM1 reported 103% capacity utilisation in FY23-24 , PM2 climbed to 113% capacity utilisation and there was 104% capacity utilisation in PM3 . The improvements were sustained across the months, enhancing your company's capacity to produce more at a lower per unit cost.

The highlight was a sustained improvement in the output of compostable tableware. In this segment, capacity utilisation improved from a low of 20% a few years ago to 52% in FY22-23 and 51% during the last financial year. This is with an additional capacity added during FY23-24. This empowered the business to turn around during the last financial year.

Q: You mentioned the word 'culture'.

A: A few years ago, the manufacturing team recognised the need to extend beyond perpetual firefighting towards institutionalised excellence. This required your company to graduate from being taken perpetually by surprise and move towards a scenario where it could predict probable downtime and prepare for it. The result is that tactical responsiveness was required to make way for strategic direction-setting. The manufacturing team questioned every practice across the last few years. Smaller sub-teams were created; team members were encouraged to question every practice; small wins were celebrated; effective ideators were rewarded. The result is that from a perspective of 'This can't be done', the team graduated to 'Nothing is impossible.'

Q: What was the other manufacturing development likely to have a positive impact on your company's financials?

A: Your company continued to prioritise clean manufacturing practices. It invested in select capital expenditure to reduce and reuse water; the result is that your company moderated groundwater extraction by around 30% with corresponding cost declines.

Q: Where does the team go from here?

A: Your company launched a kaizen initiative to moderate energy consumption by 20%, enhance productivity by 10% and move to value-added paper varieties (eliminating the need to sell pulp). The focus will be on enhancing holistic effectiveness during the current financial year. Your company expects to enhance capacity utilisation this year; a large proportion of this increment will be allocated to value-added products, strengthening profitability.

Growth plan for scale and impact, 2023-25

Expanding our Ayodhya factory

180
TPD Bagasse pulp

120
TPD Paper for wrap & carry

110
TPD flexible packaging

20
TPD market pulp/ moulded products

Turnover potential: USD **250** Million

Project Jagriti updates

- Paper Machine #3 Upgrade 70 TPD > 80 TPD Food Wraps and Bag Paper
- Scheduled delivery by the year-end
- Paper Machine #4 > 100 TPD for Flexible Base
- Technological partner selected from Europe
- Bagasse tie up done for extended quantity post expansion.
- Process of environmental clearances in progress - completion by the second quarter

FINANCIAL STRUCTURE

"WE CONCEIVED OUR EXPANSION AROUND A FINANCIAL STRUCTURE THAT MAKES IT POSSIBLE TO DERISK YOUR COMPANY'S FINANCIALS AND PREPARE FOR ATTRACTIVE GROWTH THEREAFTER".

Himanshu Kapoor

Non-Executive Director, explains how the proposed INR 675 Crore expansion of the India business is relatively derisked and will take your company into the next league

Q: There is a shareholder perception that for a company with an employed capital of INR 447 Crore as on 31st March, 2024, the proposed INR 675 Crore expansion is disproportionate.

A: There are two ways to look at this. One, if one goes by the conventional perspective then the size of the proposed expansion would indeed appear as disproportionate. Two, the disproportionate size of the expansion is partly because your company's assets were commissioned from the year 1981 onwards; thereafter, your company increased its manufacturing at relatively low costs, as a result of which the entire gross block is now valued at historically low costs whereas any expansion that is funded at today's costs would appear to be relatively high. However, when one blends the existing gross block with the proposed expansion project outlay the outcome would be at a cost that would still be well below the prevailing costs of setting up a new equivalent facility from scratch.

Q: Why is your company's proposed INR 675 Crore expansion necessary?

A: It is necessary for various reasons. One, the expansion will graduate your company towards import substitute products with a ready market from day one. Two, the expansion will help your company create a value-added product foundation that would take it to the next level. Three, even as the expansion outlay may appear on the higher side, the risk-reward relationship could be considerably in your company's favour, transforming into large and sustainable profit outcomes. In view of this, the question is not whether the expansion should have been undertaken; the question is how fast it can be commissioned.

Q: Will this disproportionate outlay affect the prospective viability of your company?

A: It would be necessary to answer this question from the perspective of your company's proposed gearing for the expansion outlay. As on 31st March, 2024, your company possessed net worth of INR 265 Crore and long-term debt of INR 110

Crore. This gearing of 0.42 provides your company with a robust foundation on which to build its next expansion round. The result is that the proposed INR 675 Crore expansion outlay is likely to be funded with INR 50 Crore of earnings (accruals) and INR 175 Crore through a preferential allotment/ QIP/ rights issue (diluting the promoter's stake from 47% to around 38% based on the price at which the issue is likely to be priced). This INR 225 Crore of net worth is likely to be complemented by INR 450 Crore of long-term debt. While the debt-equity ratio (gearing) of the expansion would be around 2, the blended post-expansion debt-equity ratio is likely to be more comfortable at around 0.96.

Q: The big question is whether your company's financials are likely to be impaired in any way following the quantum of debt mobilised for this expansion.

A: Our assurance is that your company's existing earnings will be more than adequate to address your company's post-expansion liabilities – the most conservative way in which we can explain your company's preparedness in building a broader operational foundation without risking its financials. Let me explain this: during the year under review, Pakka standalone has reported an EBITDA of INR 91 Crore. We assume that this earnings level should conservatively sustain across the foreseeable future.

On the liabilities side, we feel that INR 450 Crore of debt mobilised to fund the expansion (average cost 9.5%) coupled with annual debt repayment should resulting in an annual outgo of 16% – or INR 72 Crore. This annual outflow would be around 75% covered by the EBITDA being presently generated by your company provided the results stay at the current level both turnover and EBITDA. (It may be also important to point out that in the last 5 years the EBITDA of your company has remained in excess of 22% inspite of the level of turnover). Even at the worst-case level, assuming that the expansion does not generate a rupee of profit, we would still be comfortably placed to address our repayment and interest payment obligations from day one. Your company's debt was negotiated across a tenure of around nine years with an initial one or two-year moratorium period (repayments starting from September 2026 after the commissioning of the expansion), making it possible for your company to generate cash first and service debt later. Besides, one expects that the Uttar Pradesh government will provide your company with an attractive investment subsidy across 12 years that makes it possible to moderate net project cost and enhance cash flows. This ensures that we will not be risking your company's ability to service the needs of existing stakeholders across the foreseeable future.

Q: There is a fear among stakeholders that pulp realisations could decline, affecting your company's capacity to generate the kind of cash flows and EBITDA that it did during the last financial year.

A: This is a relevant question. I must assure stakeholders that the decline already transpired during the last financial year. Pulp realisations declined from USD 900 at peak to USD 500 per tonne. Despite this reality, Pakka standalone reported more or less the same EBITDA in the range of INR 90-95 Crore for FY23-24. This transpired at a time when most peers reported a 20% decline in corresponding profits. This contrarian performance was the result of Pakka continuing to protect domestic realisations (domestic revenue accounted for 75% of your company's revenues in FY23-24) through responsive product mix changes towards value-added products. The result was that there was a consistent focus on enhancing realisations per kg even as realisations

at the commodity end of the market continued to decline. If there was one thing that your company's performance during the last financial year validated, then it was this: the capacity of your company to remain market-facing and change with speed.

Q: How will the expansion strengthen your company's capacity to generate superior earnings and graduate to the next league?

A: In the preceding paragraphs one presented a worst-case scenario, where even if no incremental returns were generated, your company would continue to remain liquid and viable. Now let me present two positive scenarios. One, assuming that the capacity created for grease-proof paper came successfully on stream and the capacity for flexible compostable paper did not; two, assuming that the capacity created for grease-proof paper and the capacity for flexible compostable paper both came successfully on stream. During the last financial year, your company generated an average INR 40 per kg for pulp and INR 65 per kg for its pulp-based paper. If your company were to graduate to the manufacture of grease-proof paper only, realisations are likely to rise to INR 86per kg for company as a whole for what is essentially a completed product. If your company succeeds in commercialising the manufacture of compostable flexible paper, realisations are likely to rise to INR 140 per kg for company as a whole for what is essentially completed product. The long and short of the expansion is that assuming the worst and no positive upside from the capacity expansion, your company would still be profitable; assuming part monetisation, your company would face a profitable outcome; assuming complete monetisation we expect a substantial upside in revenues, margins and profits.

Q: What are some of the things that stakeholders should keep in mind?

A: One, this growth will come at a moderate equity cost; the number of equity shares outstanding is expected to increase from a little less than 6 Million shares to less than 8 Million shares (based on the price at which the rights issue is priced). We believe that this is a negligible cost for shareholders to incur to broadbase manufacturing capacity on the one hand and increase manufacturing value-addition on the other. This volume-value combination is expected to graduate your company to the next level across the foreseeable future.

Two, at one level, the expansion is about safe de-risking where even if there is a project commissioning delay for unforeseen reasons, your company's financials are not likely to be impaired. On the other hand, when the outcomes of the value-addition become increasingly evident, we foresee a sharp, decisive and transformative upside, marked by a range of possibilities that could potentially double your company's EBITDA. This indicates that whatever your company achieved in the last few decades is likely to be replicated in just the next few years.

GIST OF THE REVIEW

01 **Proposed expansion a gamechanger**

02 **Company to remain liquid even at peak gearing**

03 **Expansion to comprise forward integration into new paper grades**

04 **Proposed manufacture of import substitute paper products**

05 **These paper products generating realisations higher than the prevailing average**

06 **Potential of doubling surplus across the coming years**

FINANCIAL REVIEW

"PAKKA'S BALANCE SHEET PROVIDES YOUR COMPANY WITH THE FOUNDATION FOR MULTI-YEAR BUSINESS SUSTAINABILITY"

Neetika Suryawanshi

Chief Financial Officer, shares her perspective

EBITDA remained stable at 23% when compared with the previous financial year.

Q: Were you pleased with the performance of your company during the last financial year?

A: When compared with the previous year, your company reported relatively flat revenues despite a decline in the average sale realisations and a EBITDA remained stable at 23% when compared with the previous financial year.

Q: What initiatives helped counter an extensive performance decline?

A: The performance could have been worse but for some responsive initiatives undertaken by your company during the last financial year: production increased 4%, making it possible to amortise costs across a larger manufactured output;

Your company strengthened its supply chain, moderating the cost of goods sold. An improved product mix helped enhance realisations.

your company successfully arrested topline erosion, which made it possible to service customer needs; your company focused on maximising operating efficiencies, which helped generate incremental margins from within. Besides your company evolved its product mix towards value-addition.

Q: What operational reasons translated into creditable performance?

A: Let us start with the manufacturing perspective. Your company generated higher utilisation of the manufacturing capacity Your company balanced some of its manufacturing capacities to enhance output; the full impact of this will be visible during the current financial year. Your company strengthened its supply chain, moderating the cost of goods sold. An improved product mix helped enhance realisations. Your company moderated power and fuel charges as a percentage of sales. This indicates the large role of manufacturing discipline in our financials, which was validated yet again during the last financial year.

Q: What is the other dimension of the business that enhanced your company's profitability?

A: The one point that I would like to bring to your attention is your company's EBITDA margin – 23% during the year under review (compared to 23% during the last financial year). The protected margin was the result of the following factors: a high-capacity utilisation cum operating efficiency, strong pulp demand, ability to customise the pulp leading to customer retention efficiency of our logistics costs Your company's moulded resource material (cutlery) business more than broke even. Your company exported 25% of its production in FY23-24. The combination of these factors translated in one of the highest EBITDA margins reported by your company.

Q: How did your company manage its working capital?

A: As an agro-based company, our priority is to procure large quantities of raw materials, such as bagasse and rice husk, at the lowest average delivered cost and convert them into a product mix that yields the highest average realization per tonne.

We maintained a discipline in procuring raw materials, particularly bagasse, during its short availability window. While this required full utilization of cash credit facilities during the five to six months of the sugarcane season, it enhanced our ability to plan and manage working capital more effectively.

This disciplined approach extended to our receivables. In FY23-24, your company recovered pulp sales proceeds within a shorter time frame compared to previous years, improving an efficiency in managing receivables even on a higher turnover. This reflected our commitment to maintaining brand integrity without resorting to product dumping, despite holding a larger raw material inventory for extended periods. A quick recovery of sales proceeds and high margins helped offset this challenge.

Even though your company was sanctioned a significant working capital limit by lending banks, it did not draw from it until the third quarter of FY23-24. Your company raised equity for expansion projects, issuing 54 lakh preference shares and 36 lakh warrants, with approximately 75% of the warrant proceeds to be called upon as needed.

Q: How is your company placed with respect to its credit rating?

A: Your company maintained its BBB credit rating during the last financial year, a validation of its competitiveness. CARE, a premier rating agency, maintained this rating in the face of your company's expansion, validating the business model, expansion and project execution competence.

Q: What are your key result areas for the current financial year?

A: From my perspective, I see Pakka in a transition phase. Your company is preparing for a substantial expansion. The finance function is playing the role of a key enabler with corresponding controls and compliances. This is putting a priority on eliminating cost overruns and revenue leakages, maximising the use of accruals for re-investment.

Your company will leverage the power of its strong fundamentals to mobilise a lower cost of capital for the expansion and working capital outlay. There will be a need to monitor the resource environment (especially rice husk) to buy large and low cost. Besides, one will need to generate superior returns from the moulded fibres (CHUK) business.

At the close of the year under review, the quantum of long-term debt on your company's books was INR 109.59 Crore as against a turnover of INR 404.74 Crore, indicating that it was virtually debt-free. Your company's interest cover was a credible 10.66 (8.64 in FY23-24) despite the downturn. On the other hand, it possessed INR 262 Crore in net worth as of 31st March 2024. These fundamentals will empower your company to borrow affordably and adequately for the capital expansion without compromising its earnings capacity.

Neetika addressing the audience at Pakka's NSE listing ceremony.

GLOBAL PERSPECTIVE

"IT WOULD BE LIMITING TO SEE PAKKA AS ONLY A PACKAGING SOLUTION PROVIDER; YOUR COMPANY IS ENGAGED IN THE LARGER EXERCISE OF SAVING THE PLANET"

Eduardo Estrada

Chief Executive Officer of Pakka Inc., explains why he joined Pakka in its endeavour to transform the world into a cleaner place

The life cycle of Pakka's disruptive product

Q: As CEO of Pakka Inc., a subsidiary that will focus on operations in the Americas, what is your principal overview of prospects?

A: The principal overview is one: it takes 60 seconds for chocolate to be consumed; it will take 600 or 60,000 years for that chocolate wrapper to be degraded in the soil. This means that someone going through the soil contents a thousand of years from now is likely to read the name of the brand that once existed and conclude what the individual might have eaten – in addition to recognising a decline in soil quality. Or take Styrofoam for instance. The material was invented nearly eight decades ago; it has been reduced to micro-plastic that you will find in the seas and oceans and are being consumed by marine life, irrevocably transforming a large part of the world as we know it. This is making the existence of a company like ours – committed to the development of environment friendly packaging solutions – not only advisable but urgent and necessary. It would be limiting to see our company as only a packaging solution provider; we are engaged in the larger exercise of saving the planet.

Q: Is the business landscape for an environment-friendly company like yours favourable?

A: The landscape could not have been more favourable. I was at a global event of the large confectionary companies in Indianapolis a few months ago, attended by some of the largest global brands. The singular message that came out of the event was this: each one of the brands committed to switch to recyclable packaging by 2030. This indicates that a structural shift is likely to emerge in the global packaging sector in the next few years, benefiting companies that are proactive and prepared. A multi-decade phase of doing things conventionally in the sector is coming to an end; an entirely new phase is beginning to unfold. I would call this an inflection point in the global packaging sector.

Q: How is Pakka prepared for this unprecedented market opportunity?

A: Your company is at the right place at the right time with the right product. Let me explain this: Only 9% of all plastic flexible packaging is presently being recycled. The rest is either being interred into the earth (land or oceans) or incinerated. That is the equivalent of more than 90%! That means that the more prosperous we become, the more degraded the earth shall become (independent of what is transpiring in terms of climate change).

Most people would say that the solution lies in increasing the recyclable proportion. This is not as simple as it appears. Modern packaging comprises the coming together of four layers fused and bonded into a packaging barrier. When one recycles, one needs to segregate these layers because they represent different polymers. This is where the challenge lies: it is far harder to unravel and disaggregate the complex fusion of these polymers than to simply buy virgin polymers and manufacture from scratch. There is a complexity in reversing this complexity, which represents the stumbling block for packaging companies and related recyclers.

At Pakka, we have arrived at the solution through a differentiated route: instead of focusing on the disaggregation of a complex polymer mix, your company has delivered what most industry observers considered improbable: the development of effective and environment flexible packaging using plant-based compostable materials. In short, your company has delivered complex simplicity.

Q: 'Effective and environment-friendly'. How would you explain these words?

A: Let me start with the word 'effective'. What we have developed is a single layer of bagasse-based flexible paper packaging that represents a decisive answer to a long-standing challenge in finding an agro-based solution (hence environmentally sustainable) that would possess effective barrier properties. Now come to the 'environment-friendly' explanation: our solution is home compostable (which means that it disappears without treatment in normal conditions), recyclable (which means that it is not fused with supplementary materials that need to be first segregated before recycling), naturally biodegradable (which means that the material left out in the open will automatically disappear) and industrially compostable (which means that the compostability can be created at scale by industrial recyclers). The complement of these capabilities makes Pakka's offering a solution whose time has come.

Q: How else is this development unique in the global world of flexible packaging?

A: There is a last element that makes this solution unique. This element comprises what one can derive from this packaging. The answer is fertilisers. After one has finished recycling Pakka's product, one can generate a usable (hence, profitable) end product. This is ideal for companies and locations that own their trash (stadiums, parks, malls, schools, offices etc.). This fits the 'waste to wealth' proposition; it fits the 'life to life' proposition, the basis of a circular product or economy. This means that after our packaging waste has been recycled, it can be used to regenerate the earth and make it greener. This could be a longstanding answer to the use of this sustainable packaging in desert areas where trash would need to be landfilled (affecting soil integrity) or transported across long distances to be recycled. This packaging form could also become eligible for carbon credits, creating a compelling basis for its consumption at scale.

There is another factor at play: the management of the bagasse fibre and conversion into paper has been mastered by Pakka for more than four decades. The concentrated knowledge is available for replication by Pakka across the world should it decide. Besides, cane is a high arrestor of carbon dioxide, so the solution coming out of bagasse is what the world needs – in more senses than one.

Q: You were working for some of the largest Latin American companies. Why did you join Pakka?

A: For a simple reason: to leave my footprint in the sand, wake each Monday and go to work with enthusiasm that one is engaged in the exercise of making the world a better place!

It takes **60** seconds for chocolate to be consumed; it will take **600** or **60,000** years for that chocolate wrapper to degrade in the soil.

The uniqueness of Pakka's solution

Home compostable
Disappears without treatment in normal conditions

Recyclable
Can be completely recycled without needing a segregation of polymer layers

Naturally biodegradable
Can be left out in the open to disappear within a few months

Industrially compostable
Compostability can be created at scale by industrial recyclers, accelerating positive change

CONVERSATION

"THERE IS A DEEPER ROLE OF EXECUTIVE COACHING AT PAKKA DESIGNED TO ACCELERATE CORPORATE GROWTH"

Mr. Prasad Kaipa

A discussion with Pakka Limited's Executive Advisor

Q: Why is executive coaching growing in importance?

A: The concept of executive coaching has become increasingly important for several reasons:

Business complexity: Today's business environments are increasingly complex and dynamic, marked by market volatility, technological advancements, and globalisation. Executive coaching helps leaders navigate these business challenges by providing tools, perspectives and frameworks to make informed decisions.

Development: As organisations seek better leadership, executive coaching plays a vital role in leadership development programs. It helps identify and develop leadership skills, emotional intelligence, and strategic thinking, leading to improved leadership effectiveness.

Performance catalyst: Executive coaching focuses on enhancing individual performance and productivity. Coaches work with leaders to set personal and professional goals, identify strengths and weaknesses, and create actionable plans for improvement, leading to better organisational performance.

Change management: At a time of rapid change, executive coaching equips leaders with the skills to adapt and thrive. Coaches help executives navigate transitions, whether due to organisational restructuring, mergers, or shifts in industry standards.

Soft skill needs: Modern leadership warrants soft skills like communication, collaboration, and conflict resolution. Executive coaching emphasises these skills, enhancing leader effectiveness in working with other stakeholders.

Well-being: Executive coaching addresses mental health and work-life balance needs of leaders in helping them manage stress, promote well-being, and achieve a healthier work-life balance.

Personalised support: Unlike traditional training programs, executive coaching offers personalised support around an individual's specific challenges and goals. This customisation enhances the likelihood of achieving desired outcomes and fosters a deeper understanding of personal and organisational dynamics.

Feedback: Coaches provide a safe space for leaders to discuss goals and challenges. The feedback can lead to behavioural improvements in leadership styles.

Coaching culture: Organisations that invest in executive coaching often cultivate a broader coaching culture that encourages continuous learning and development at all levels. This culture fosters engagement and retention, as employees feel supported and valued in their professional growth.

Decision-making: Executive coaching helps leaders improve their decision-making abilities by providing frameworks to analyse options, perspectives, and outcomes.

Q: How is executive coaching helping take Pakka to the next level?

A: At Pakka Limited, I serve as an advisor to the Promotor/Vice Chairman/ Global CEO Ved and the rest of the senior team of the Organisation. I coach Ved on his personal and professional growth. I provide feedback to other senior executives and participate in core group meetings as needed. Coaching offers leaders like Ved multiple perspectives on decision-making, helping them think through alternatives. This holistic view ensures that they consider their responsibilities from a promoter and CEO standpoint. My extensive background with entrepreneurial organisations and Global Fortune 100 companies enables me to offer insights that help senior leaders make informed decisions.

Q: How long have you been associated with Pakka Limited, and how has your perception of Your company evolved during this period?

A: I began working with Pakka in February 2023. During this period, I have seen a significant change in your company's approach, particularly in the roles and responsibilities of its senior executives. I assisted in hiring decisions and shaping job definitions during this phase, helping Ved evaluate the long-term potential of employees.

One of my key interventions was in bringing role clarity and building a team at senior levels in addition to bringing clarity to how innovation research, development and commercialisation require different skill sets, time horizons and culture and that it is a key puzzle to solve to increase competitiveness and growth of the organisation.

Q: How is your role different from that of other coaches and mentors?

A: I am using the principles of Indic wisdom in an inclusive way. By the virtue of an inter-mingling of rich cultures, the Indic legacy is richer than most and with a greater capacity to absorb, enrich and influence. I draw on this wisdom and combine it with what we are learning about brain-based approaches in my engagements at Pakka. Pakka is poised to make a decisive global leap in terms of products, presence and outcomes. It is my commitment to assist Ved and the senior leadership team to ensure that this leap is confident, with beneficial outcomes for India and the world.

Q: How do you approach the evaluation of candidates and innovation at Pakka Limited?

A: When evaluating candidates, I look beyond their immediate performance to assess their potential. For example, in evaluating finance candidates, I consider their understanding of the Indian regulatory requirements and global financial strategies to ascertain if they can support Pakka's expansion projects.

As far as innovation is concerned, we differentiate between immediate product development and long-term research outcomes. This ensures that our innovation aligns with short-term and long-term profitability. A motivating environment for researchers and product developers is critical, factoring priorities, remuneration and unique personal contributions.

Q: What are Pakka's opportunities?

A: Pakka enjoys significant potential, especially in paper and food product applications. By providing sustainable products for large events like the Ram Mandir inauguration in Ayodhya, Pakka has enhanced its visibility and environmental sustainability. Your company's strategic direction, product mix, and willingness to learn and adapt positions it well for the future.

Pakka stands out due to the seriousness of its vision, ambition, and commitment to environmental sustainability. Your company's openness to learning from mistakes, attracting feedback, and adopting best practices enhances its possibility of emerging as an admired organisation. A combination of governance, employee satisfaction, and stakeholder engagement sets Pakka apart from competition. By continuing to innovate and expand, Pakka is poised to achieve significant success in a sustainable way.

> **"I think it's very important to have a feedback loop, where you're constantly thinking about what you've done and how you could be doing it better. I think that's the single best piece of advice: constantly think about how you could be doing things better and questioning yourself."**
>
> **Elon Musk,**
> Co-founder and CEO of Tesla

OUR COMPOSTABLE TABLEWARE BUSINESS

'YOUR COMPANY TURNED ITS BUSINESS AROUND IN FY23-24, CREATING A FOUNDATION FOR YEAR-ON-YEAR GROWTH FROM THIS POINT ONWARDS'

Satish ChamyVelumani

Business head, Compostables, explains why Pakka's compostable bagasse tableware has arrived at a take-off point

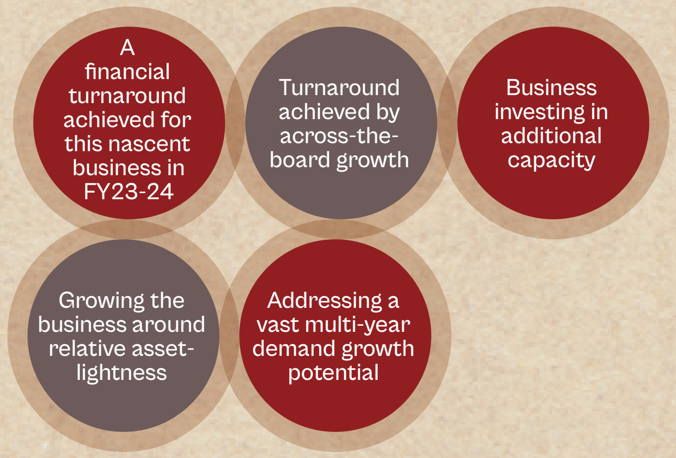
Q: What is the principal message that you would like to communicate?

A: The principal message is that your company turned its business around to profit without a significant increase in revenue. This indicates the intrinsic profitability of the business even before its scales. This holds considerable optimism that as the business begins to grow, your company could report attractive year-on-year surpluses.

Q: What contributed to your company's turnaround in FY23-24?

A: Your company widened product outsourcing, which empowered it to address growing market

Our big picture



demand through a widening supplier eco-system. Added to this, your company's manufacturing plant increased capacity utilisation from 28% to 55% (production rising from 170 Metric Tonnes a month to 280 Metric Tonnes a month by the end of the financial year) in addition to launching three machines. Besides, your company reduced finished goods losses by 600 bps following improvements in quality and operational efficiency. The complement of these three improvements helped your company turn the compostables operations around during FY23-24.

Q: What challenges did Chuk address?

A: Your company encountered erratic market demand and the inconsistent enforcement of government regulations on plastics and styrofoam. The result was that lower cost alternatives continued to disturb the demand and pricing balance of the market, putting a premium on Pakka to respond with speed. In view of this, the top line growth of 3% represents an achievement and achieving a financial turnaround in the face of this nominal production increase is an even bigger achievement.

The other challenge countered by your company was related to competition. In a market where copying designs is rampant – especially the designs of a market leader like Chuk – your company responded by introducing four products in the last quarter and creating a larger pipeline of to-be introduced products. We believe that by continuously shifting the goalpost your company will continue to play an active role in redefining the market.

The other challenge was the movement in petrochemical prices that affected our competitiveness. It is no secret that petrochemical-based packaging leverages superior economies of scale; this makes polymer-based tableware one-third cheaper than agro-based packaging. What continues to provide us confidence is that compostable packaging accounts for only a nominal share of the overall meal cost. In view of this, the cost of compostable tableware is not so expensive that it can deter purchase; on the contrary, it enhances considerable user pride and guest appreciation, which more than make up for the increased cost required to pay.

Q: What investments did your company make to grow this business?

A: Chuk remained committed to asset-lightness during the year under review. Your company made moderate direct investments comprising three machines and new moulds. While these smaller investments enhanced efficiency and capacity during the year under review, your company recognised that if it is to address the growing national demand traction, it will need manufacturing partners and associates it can outsource compostable tableware from and not be limited or restricted by its proprietary manufacturing capacity. The result is a relationship-driven but asset-light approach where Chuk's focus will be largely oriented around creating the markets of the future through enhanced subject matter visibility, responsible advocacy and effective marketing.

Q: How does Chuk plan to leverage its strengths?

A: Your company's strength lies in three areas: product design, manufacturing eco-system and distribution. We recognise that any product, however successful, will be progressively commoditised. The effective counter-response is not just making a better product but playing every part of the game considerably better than competition. The aggregate value proposition is what most bits-and-pieces players may never be able to match, graduating Chuk's recall around a company that is redefining the product.

At Chuk, we recognise that if we redefine compostable tableware only around the material replacement of polymer tableware, the strategy will work only up to a point and no more. We recognise that we will need to continuously create products that holistically address consumer needs better than competing products. This could cover functional needs, affordability needs, accessibility needs and even aesthetic needs.

The result is that even as we launch new products, we remain engaged in extending our pipeline; this means that we are in a position to cannibalise our own product designs before competition does. Besides, we recognise that in a country as vast as India, we will need to be extensively distributed across the landmass to service the most populous country. As a competitive edge, your company is not merely feeding products to these outlets; it is working closely with them through exclusive sales arrangements to develop sales schemes, pricing structures, and marketing approaches.

Q: What makes your company distinctive in this rapidly growing space?

A: Pakka is the largest organised brand for compostable bagasse tableware in India. It is the only Indian company in its space with captive access to captive bagasse-based pulp. The result is a secure resource access, extended value chain and pulp customisation opportunities in response to evolving market preferences.

Your company has built on this. Its key strengths include a national brand, natural brown cutlery, uniquely shaped tableware, consistent quality, responsible organised presence in a largely unorganised space and pan-India distribution network.

Q: What are Chuk's expansion plans?

A: Your company is beginning to address global potential. In 2024, Chuk plans to launch its product in the Gulf Cooperation Council countries, starting with the UAE and extending to Saudi Arabia and other nations. Pakka is setting up a sales team in North America and expects this continent to account for 20% of overseas revenues over time. Your company also seeks to deepen its pan-India footprint through the appointment of more distributors.

Your company will seek to integrate deeper into the supply chains of prominent food delivery companies. This could enhance holistic value: compostable compliance for your company's institutional customers and increased sales volumes for Chuk. Chuk will position itself as a green packaging partner customising food containers for food delivery partners (in 2023, a prominent Indian food delivery company offsets plastic and fuel consumption by planting trees, which indicates their seriousness in moderating carbon footprint).

Q: What are your company's long-term prospects?

A: At Chuk, we believe the future of dining cutlery belongs to those who champion environmental stewardship. In view of this reality, Pakka has selected to extend beyond merely providing products; our commitment is to influence eco-friendly decision making across every meal. Food and meals are integral to human existence; if one can inspire a change at this level, then there is hope that we may - through Chuk's recycle moulded fibres - transform the world in a sustainable way. Your company will engage in responsible advocacy, collaborate with food brands and educate consumers. We are optimistic that there will soon come a time when food delivery brands will be rated for their environmental responsibility, widening our market and empowering them to moderate their carbon footprint (while earning carbon credits). The addressable market appears large, indicating years of sustainable growth. Chuk accounts for 0.5% of the USD 2 Billion Indian plastic disposables market that addresses food service. By the virtue of being organised and listed, your company is attractively placed to grow considerably faster than the overall tableware sector. We expect that in the coming years, your company will contribute effectively to 'good garbage', making a positive environmental impact.

The growing Indian compostable tableware market

161.37
USD Million, market for biodegradable disposable tableware from sugarcane bagasse, 2021

365.21
USD Million, market for biodegradable disposable tableware from sugarcane bagasse, 2030

9.5
% CAGR of biodegradable disposable tableware from sugarcane bagasse in India, 2022 to 2030.

(Source: mitconindia.com)

The growing global compostable tableware market

16.23
USD Billion, estimated global biodegradable tableware market size in 2024

24.69
USD Billion, estimated global biodegradable tableware market size, 2030

6.2
% CAGR of global biodegradable disposable tableware market from 2024 to 2030

(Source: grandviewresearch.com)

CHUK's global success credentials

- The only pulp-2 product brand in the world
- Recognised for quality consistency and supply dependability
- Innovative modular design (no messy tableware options)
- Oven-able, freezable and microwavable products
- Light, crafted from natural fibers and free of toxins

CHUK's tableware business strengths

- Market leadership
- Captive quality pulp availability
- Asset-lightness to drive growth

The Chuk resource advantage

- Secure and captive raw material supply
- Acquires bagasse from sugar mills (within 200-kilometer radius)
- Processes bagasse to pulp
- Pulp used to manufacture compostable tableware
- Bagasse ideal for its rapid renewability (sugarcane harvested annually)
- Perfluoroalkyl and Polyfluoroalkyl substance-free bagasse products are commercially and home-compostable (breaking down into nutrient-rich compost for use as fertilizer and soil conditioner)

CHUK: Moderating its carbon footprint

- Utilising an agro-by-product to manufacture pulp
- Utilising biomass electricity
- Implementing sustainable practices to minimise waste
- Focusing on methane extraction from wastewater; repurposing sludge into eco-friendly products

PRODUCT INNOVATION

"WE STARTED FROM SCRATCH AT THE GROUND LEVEL AND WITHIN JUST 12 MONTHS ACHIEVED A BREAKTHROUGH THAT HAS BEEN ELUDING HUMANKIND FOR DECADES"

Dr Ramjee Subramanian

Business Head of Pakka Impact, explains the process, outcomes and implication of your company's disruptive innovation arising out of the manufacture of compostable flexible packaging paper

Q: What was the big message that you wish to communicate to stakeholders?

A: The big message is that during the year under review, Pakka achieved what possibly no company in the world has done: manufacture home compostable flexible packaging paper for use in FMC products. Based on the available information and our extensive industry experience, no company has achieved this challenging outcome. What is important is that your company achieved the entire lifecycle from concept development to research to productisation to testing to validation. Based on this extensive process, one can say that what we developed during the last financial year represents a new era in the global home compostable and recyclable flexible packaging sector.

Q: What are stakeholders likely to miss about this achievement?

A: They are likely to miss that we started from scratch at the ground level and within just 12 months we achieved a breakthrough that has been eluding humankind for decades. We believe that this is a signal achievement not just for the fact that it has actually been achieved, but because it has been achieved in a fraction of the time and cost that this would have normally taken a competing organisation. So, what we achieved was not just related to the 'what' of our achievement but also the 'how'. I would like to think that by this achievement, we have emerged as a global case study in the innovative response to a longstanding challenge that could transform the way products are packaged using flexible paper the world over.

Q: How challenging was this achievement?

A: This achievement was challenging at various levels. One, the programme commenced in complete uncertainty because something of this kind had never been done and self-belief and confidence were at a premium. Two, the entire development had to be driven from scratch with no available leads and semi-developments on which one could build. Three, there was a challenge in benchmarking (for cost, functionality and environment cleanliness) against competing alternative materials like polymer and wood. Four, there was a challenge in 'marketing' this to professionals and building a competent research team. Five, there was a need to work with specific customer needs in mind, so even as our approaches could vary the end result would need to be constant.

Q: What were some of the realities that translated into this disruptive achievement?

A: From the very outset, there was a differentiated approach that translated into differentiated outcomes.

One, the management spelt out a vision to innovate home compostable flexible packaging irrespective of what it took to get there.

Two, the management outlined that it would commit funds and other resources so that the team could be empowered in walking the road less travelled.

Three, the project commenced with the end in mind; the flexible packaging outcomes were defined, complemented by resource options, permutations and combinations to get there.

Four, the creation of a collaborative and transparent team culture in the pursuit of a common end.

Five, the recognition that the outcomes generated from this research could lead to a INR 3000 Crore investment opportunity, graduating your company from the national to the global.

Six, the team charted out a direction of no compromise; we did not alter our vision to achieve a part of the solution at any point; we stayed resolute in our goal to innovate the development of home compostable and recyclable flexible packaging paper.

Q: What was most satisfying apart from the product innovation?

A: What proved to be most satisfying was not just that we developed something within the laboratory that we said would perform well in the market; we validated that by using it in the market across months. The chocolate product for which our flexible packaging was used resulted in the product retaining its taste and quality across months of shelf life; besides, the compostable flexible packaging was delivered around a feasible price-value proposition following months of challenges, re-trials and collaborative customer engagement.

Q: Where does the research function go from here?

A: The sky is the limit following the launch of the breakthrough product in the first year. The important thing to realise is the shifting nature of the product cum process goalpost: there is room to make the good better with the objective of enhancing barrier properties, seeking non-metallised routes, moderating costs and seeking better outcomes across performance-process-materials. The desired objective will be to create a larger market for your company's products at scale in line with the growing back-end flexible paper manufacturing capacity.

Q: What is your last comment on the achievement?

A: While we were remarkably successful in reporting a disproportionate breakthrough during the last finance year, there will be a premium in taking this initiative ahead during the current financial year: wider outcomes, use of more materials, new applications and graduating our initiative into a Centre of Excellence that attracts the best competencies from the world over. I believe that what we achieved during the last financial year has global implications; this is likely to attract global talent to our research facility in Bengaluru. I see more professionals like me – I gave up a job in Europe and resettled in India – seek their life purpose in joining us and contributing to make the world cleaner.

GIST OF THE REVIEW

01 Disruptive product breakthrough

02 Breakthrough achieved in a fraction of the global time and cost

03 Breakthrough product validated in market trials

04 Achieved success from concept to trial to testing to market validation

05 Provided a product relatively comparable to corresponding wood and polymer solutions

06 Focus on building on the decision advantage

CUSTOMER'S ENDORSEMENT

"PACKAGING CHOCOLATE PRESENTED A BIGGER CHALLENGE AND WE WERE UNCERTAIN ABOUT VIABLE ALTERNATIVES UNTIL WE CONNECTED WITH PAKKA"

Mr. Shubham Tibrewal

Independent Director, on how the pioneering use of a recyclable compostable packaging solution by Pakka for his company Brawny Bear is transforming respect and prospects

We worked with Pakka to enhance packaging sustainability

- Collaborated on a joint solution
- Offered an environmentally friendly and quality solution
- Protected the integrity of contents
- Validated content quality after a year
- Enhanced consumer pride

Q: Why did your company graduate from the use of plastic to recyclable compostable packaging?

A: The shift stemmed from our desire to introduce a new chocolate product - in a unique manner. As a company, we adhere to two guiding principles: making healthy products and creating sustainable products. Consequently, we avoid using plastic in our packaging, opting instead for glass jars for products like nut butters. Packaging chocolate presented a bigger challenge and we were uncertain about viable alternatives until we connected with Pakka. This engagement helped us explore compostable paper packaging solutions.

Q: What were the challenges in packaging chocolate with a home compostable solution?

A: Pakka was looking for the right partner, a chocolate manufacturer willing to collaborate as the product development warranted joint engagement. We were open to numerous trials; the result is that we commercialised compostable flexible packaging in September 2023. We responded to an urgent market need, which accelerated our switchover.

Q: How has this compostable flexible packaging been received?

A: We are relatively niche; most competitors would be unaware of what we have achieved. Our customer perception proved positive, especially in the B2B space. The demand for sustainable packaging and the elimination of single-use plastic is a priority for many buyers. The result is that compostable packaging solutions opened doors for conversations with potential clients who might have otherwise overlooked our presence.

Q: Has the packaging improved the shelf life of your product?

A: Our compostable packaged chocolate enjoys a certified shelf life of 12 months. We tested the product for a little more than four quarters with the compostable flexible packaging and found no changes in the product taste, colour, or texture. The sugar bloom or fat bloom changes are usually due to high-temperature variations and not related to the packaging. We encountered increased sales and positive customer feedback, reinforcing our decision to continue with eco-friendly packaging.

Q: Are you intending to launch more products with home compostable packaging?

A: Absolutely, in fact we are planning to launch several products around home compostable packaging. There are challenges related to nitrogen flushing for products like nuts, chips, cookies and crackers. Pakka's packaging addresses moisture and oxygen protection and is working towards competent nitrogen flushing, improving pouch strength and sealing capabilities. We are confident that with sustained research and development, these challenges will be addressed and we will widen our offerings of sustainably packaged products.

THE DYNAMIC SENIOR TEAM THAT WILL LEAD PAKKA INTO THE FUTURE

India Business

Jagdeep Hira
India Business Head

RESEARCH

Dr Ramjee Subramanian
Innovation Head

FINANCE

Neetika Suryawanshi
Finance Head

COMPOSTABLES

Satish ChamyVelumani
Compostables Business Head

TALENT MANAGEMENT

Gautam Ghosh
Team Excellence Head

1

Jagdeep Hira

India Business Head

Jagdeep has lived and breathed paper most of his working life. He has operated all kinds of equipment to develop numerous paper grades. He has worked in different companies and developed an international exposure. He loves to build teams and organisations. He is able to understand, grasp and resolve issues due to his extensive involvement in manufacturing processes.

2

Dr Ramjee Subramanian

Innovation Head

Dr. Ramjee Subramanian sits up each time the word 'innovation' is used. He possesses over 20 years of experience, including a rewarding decade at Helsinki University of Technology. He was a Research and Development Specialist at Xamk, South-Eastern Finland University of Applied Sciences in Finland, before joining Pakka Impact. Dr. Ramjee possesses an extensive knowledge in the agri and wood value chain raw materials, processes, products, and technology transfer. He is always up for a chat about co-creating a cleaner earth, an opportunity for him to dive deep into details!.

3

Neetika Suryawanshi

Finance Head

Neetika is a process freak committed to set workflows right. A Chartered Accountant with a post-qualification experience of nearly two decades, Neetika has had fulfilling stints in various banks. As the Finance Lead at Pakka, she is focused on cost efficiency, while implementing digitization and systems automation. Neetika has an eye for detail; she does not shy from diving into files to spot an error! In her free time, she sketches and travels.

4

Satish ChamyVelumani

Compostables Business Head

Eternal optimist is what describes Satish. He started as a Mechanical in Coimbatore. His larger-than-life dreams pushed him to heights at engineering, academically and professionally. To him, engineering means creating! Satish comes with a rich background in the product, packaging and food spaces. He leads Pakka's compostables business and aspires for global leadership.

5

Gautam Ghosh

Team Excellence Head

Gautam is our smiling Buddha! The word 'No' does not exist in his vocabulary. He remains full of energy and is always ready for another party. The amount of love he gets from the team members is a testament to his personality and his role as Team Excellence Head. He looks after liaison and strives to build better relationships to ensure that workflows proceed without glitches.

HOW WE ARE BUILDING LONG-TERM SHAREHOLDER VALUE IN A SUSTAINABLE MANNER

Market valuation

1136
INR Crore, market valuation as on 31st March, 2024

373
INR Crore, market valuation as on 31st March, 2023

Overview

Pakka Limited is in business to enhance shareholder value (while benefiting other stakeholders). This focus value is being driven by strategic consistency and financial discipline. The result: Pakka Limited has emerged among the best performing listed paper companies in India in the five years ending 31st March, 2024.

Our value-enhancing track record

Compounded sales growth	Percentage
10 years	11
5 years	10
3 years	30
TTM	(-0.7)

Compounded profit growth	Percentage
10 years	38
5 years	19
3 years	43
TTM	(-3.9)

Stock price CAGR	Percentage
10 years	42
5 years	54
3 years	54
1 year	71

Return on equity	Percentage (%)
10 years	22
5 years	23
3 years	24
Last year	20

Our contrarian approach

A few years ago, Pakka made deleveraging a strategic priority due to the debt associated with the capital-intensive nature of the paper and pulp manufacturing business. Your company adopted a different strategy for the foreseeable future, focusing on bottom-line growth rather than capacity expansion, except for nominal increases through debottlenecking or higher realisations. Pakka fully repaid its long-term debt and holds net cash; it reinvested earnings and invested additionally mobilised net worth, creating a new under-leveraged foundation for sustainable growth in a capital-intensive business.

The upsides

The debt-free strategy is expected to yield several benefits.

One, your company will fund additional capital expenditure using internal accruals.

Two, the reduced interest burden will result in higher annual cash flows.

Three, this strategy will reinforce your company's respect as a de-risked paper and pulp player.

Four, this will improve your company's scalability, profitability, responsibility and sustainability.

Our accrual-driven debottlenecking programme

Proposed investment	Capacity now	Capacity proposed
Paper	39100 TPA	41740 TPA
Pulp	130 TPD	180 TPD
Flexible packaging	0	33000 TPA
Compostable tableware	5115 TPA	5115 TPA

DRIVERS OF SHAREHOLDER VALUE

Scalability

Emphasize sustainable capacity growth in pulp, flexible packaging, and compostable packaging.

Ensure capacity growth is adequate to address captive and market demands.

Diversify to moderate a reliance on commodity segment fluctuations.

Portfolio integration

Diverse portfolio includes bleached agro pulp, unbleached agro pulp, compostable flexible packaging, moulded food service ware, and food carry materials.

Captive power generation capacity is 8.5 MW, supplemented by an additional 2 MW from an associate company.

Outcome: A one-stop solutions provider for customers.

Strategic initiatives

Simplified Group structure

Credit rating was enhanced to BBB Stable in FY23-24

Sustainability

Your company became net debt-free and cash positive in FY21-22.

All capital expenditures will be funded through accruals

Focus on maintaining protected liquidity across all market cycles.

Responsibility

Adopting an ESG-compliant business model

Strong governance and transparent disclosures

Strategically positioned to reduce carbon footprint

Our fiscal efficiency

- Cost leadership
- Scale business in niches
- Strengthen liquidity (cash on hand)
- Maximise free cash flows from operations
- Enhance RoCE and RoE

PAKKA'S SUSTAINABILITY FRAMEWORK

Overview

The Integrated Report enhances a perspective of a company is placed to enhance value for diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers). The report draws on diverse corporate dimensions (financial, management commentary, governance, remuneration and sustainability reporting) in explaining that organisation's ability to create, enhance and sustain value.

Proposed expansion

- Proposed expansion via debt and accruals to increase scale and scalability.
- Entered the innovation-driven field of compostable flexible packaging.
- Diversified revenue streams, increased value addition, and tapped into rapidly growing segments.

Strategy - broad-based

- Manufacture products that prioritise clean global packaging standards
- Position your company as one that is driven by innovation
- Manufacture across the value chain from bagasse to compostable packaging

Strategy – new business areas

- Expand into green flexible packaging manufacturing
- Allocate 3-5% of revenues to innovation-driven research on compostables
- Establish global manufacturing facilities

Procurement economies

- Secure abundant bagasse and rice husk through stable contracts
- Purchase economically and locally for a low carbon footprint
- Source superior quality materials for a strong foundation

Manufacturing excellence

- Streamline, modernise and boost production capacity
- Invest in advanced technologies for consistent quality improvement
- Reduce consumption, control costs, and minimise carbon footprint

Environment integrity

- Reduce resource consumption per unit of production
- Safeguard the region's environmental balance, particularly regarding water usage
- Exceed regulatory compliance standards

Brand building

- •Launched CHUK, a compostable tableware brand
- •CHUK distinguished by scale, brand visibility and funding outlay
- •Addressing demand through in-house manufacture and responsible outsourcing.

Responsibility

- Dedicated to ESG, ensuring compliance with emissions and waste disposal regulations.
- Invested in automated technologies to improve resource efficiency.
- Expanding the business without overextending the balance sheet.

Products basket

- Currently produce three products (aiming to expand)
- Products interconnected through bagasse-based synergy
- Meeting increasing demand for compostable paper and tableware

Financial structure

- Maintain long-term debt-free status (prior to major expansion)
- Enhance efficiency of working capital
- Mobilize cost-effective resources for expansion

People competence

- Engage subject matter experts to boost productivity
- Invest in training, knowledge, experience, and passion
- Speed up human resource management reforms

Exports

- Company established as a global entity with Indian origins.
- 25% of FY23-24 revenues from the export of paper.
- Exported to 31 countries around attractive realisations.

Community support

- Strengthen community engagement through skill-building initiatives.
- Improve the measurability of impacts and outcomes.
- Sustain long-term engagement for lasting impact.

WHO WE ENHANCE VALUE FOR

Our employees are the cornerstone of our business, encompassing a wealth of expertise across various functions including bagasse procurement, manufacturing, business development, sales, quality and finance. We are committed to providing a dynamic workplace that promotes employment growth and enhances talent productivity.

Our shareholders initially funded our venture and our ongoing focus is on generating reinvestable free cash and undertaking projects that promise quick returns. Our goal is to enhance Return on Capital Employed (RoCE) and consequently, increase the value of shareholder investments.

Our vendors are essential for a steady supply of resources like bagasse, equipment and services. We strive to ensure the procurement of high-quality bagasse through multi-year contracts, rewarding our partners with prompt payments.

Our customers are the core of our financial operations, consistently purchasing our products which fuels our growth. We aim to expand our customer base and retain existing customers to enhance our revenue stability.

Our communities provide us with social capital–education, culture, security, safety–and in return, we engage with these communities consistently to support and uplift them.

Our governments, both state and central, furnish a stable structural framework that underpins law, order and policy. Our focus is to act as a responsible corporate citizen within this framework.

At Pakka, the careful coordination of contributions from each stakeholder ensures the sustainability of our business and the enhancement of stakeholder value.

The resources of value creation

Natural Capital
We rely entirely on natural resources such as bagasse, water, fossil fuels and the world's carbon sinks. Our engagement with natural capital is shaped by our dependency on these resources, the environmental impact of our production processes and our commitment to operating within the environmental limits.

Social and relationship capital
This encompasses the relationships between our company and its stakeholders, including the community, governments, customers and supply chain partners. This capital also includes the licenses and dependencies associated with our supply chain.

Intellectual capital
This consists of resources such as patents, copyrights, intellectual property and the organisational systems, procedures and protocols that underpin our operations.

Human capital
This refers to the skills and knowledge within our organisation, highlighted by our focus on talent retention and training, which drive superior performance.

Financial capital
This includes funds acquired from lenders or generated through earnings, constituting the pool of capital available for manufacturing goods.

Manufactured capital
This represents the physical infrastructure, including buildings, equipment and tools, that boosts organisational productivity.

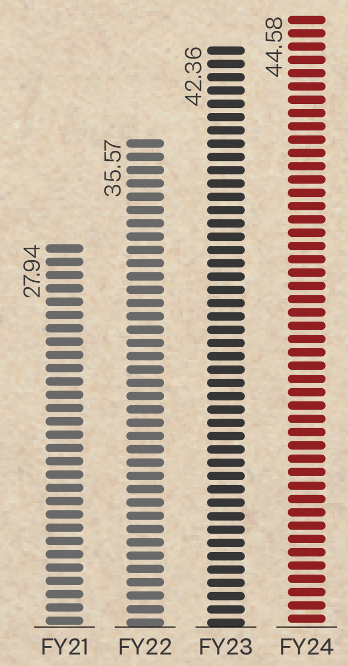
Our value creation strategy

Strategic focus	Key enablers	Material issues addressed	Capitals impacted
Innovate and excel	Building on manufacturing excellence; achieving higher plant availability, superior yields and increased throughput.	Advanced technology resulting in enhanced production efficiency quality	Manufactured, Intellectual, Financial
Cost leadership	Focusing on operational excellence to drive cost leadership and boost margins. Your company ranks as one of the lowest cost producers of bagasse pulp and paper, with capital costs per tonne among the lowest in the sector. This advantage stems from scale, proximity to resources, captive power generation, and minimal long-term debt.	Forming the basis of long-term viability through competitiveness in the market	Financial, Intellectual, Natural, Social and Relationship
Supplier of choice	Strengthening customer relationships through sufficient capacity, prompt deliveries and high-quality products. Known for meeting rigorous quality standards for customers both domestically and globally	Enhancing revenue visibility through product criticality, sustained customer relationships and aligning with the global preferences.	Intellectual, Manufactured, Social and Relationship
Robust people practices	Managing approx 1000 resources across its factory, corporate office and research functions. Your company's employee engagement is characterised by delegation, accountability and empowerment. The workplace environment is energised by comprehensive training, active engagement, fair appraisals and attractive rewards.	Developing a people-driven company characterised by professionalism, authority, responsibility and accountability	Intellectual, Human
Responsible corporate citizen	Emphasising responsible corporate citizenship Your company actively participate in community development activities near its manufacturing facilities Your company spent INR 59 Lakhs in CSR activities, FY23-24.	Strengthening community ties with programs aimed at boosting community prosperity.	Social and Relationship, Natural
Value-creation	Emphasising enhanced value for all stakeholders Your company produces products that improve environment responsibility Bagasse-based paper improves the environment responsibility Compostable bagasse tableware is an eco-friendly substitute to plastic tableware as it also reduces land filling	Focusing on meeting the value-enhancing needs of stakeholders.	Intellectual, Manufactured, Social and Relationship

ENHANCING STAKEHOLDER VALUE

Employee value

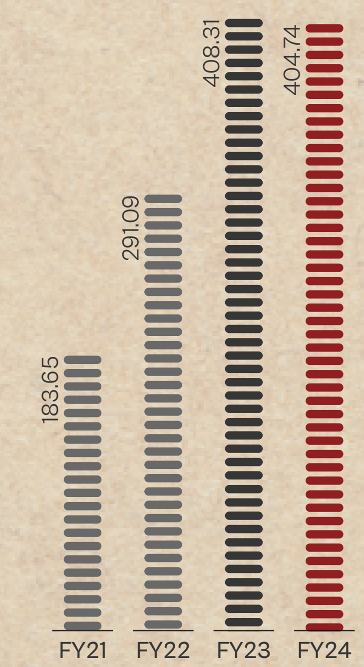
Salary and wages
(in INR Crore)



Your company has invested a progressively larger in employee remuneration, underlining its role as a responsible employer

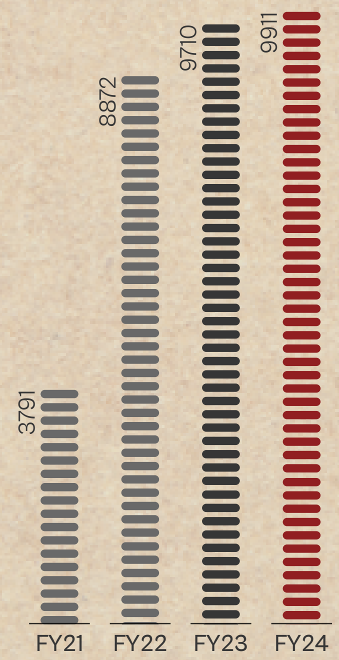
Customer value

Sales revenues
(in INR Crore)



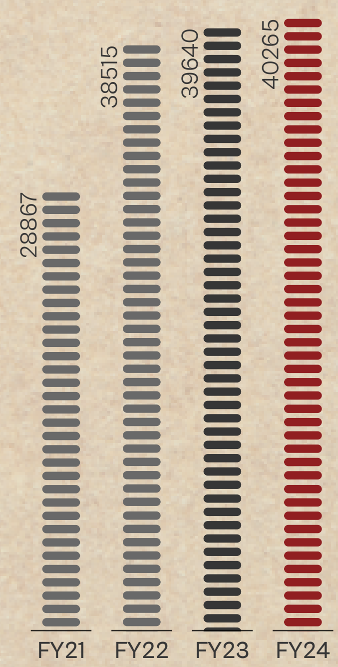
Your company has grown all its businesses in the last few years, especially in the downstream segments

Quantity of pulp sold
(Tonnes)



Your company has grown all its businesses in the last few years, especially in the downstream segments

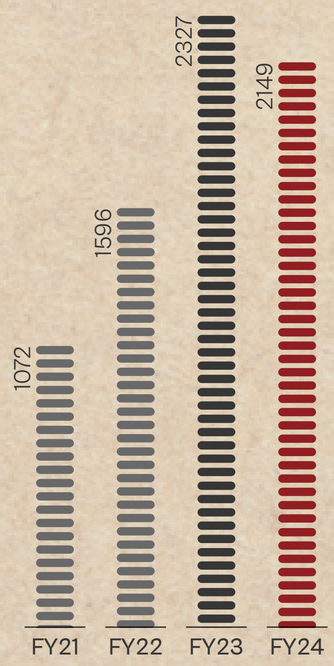
Quantity of paper sold
(Tonnes)



Your company has grown all its businesses in the last few years, especially in the downstream segments

Quantity of tableware sold

(Tonnes)



Your company has grown all its businesses in the last few years, especially in the downstream segments

Procurement value

Procurement (Bagasse in AD)

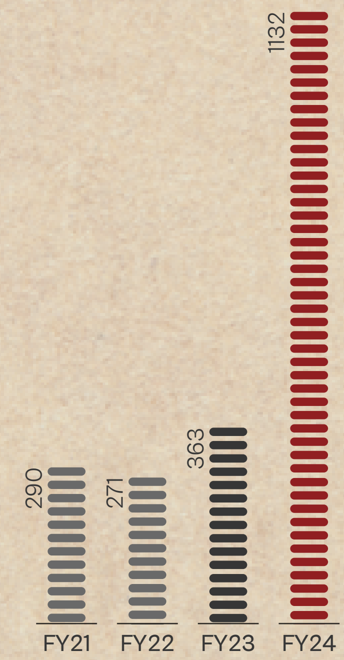
(in MT)

Your company procured a larger quantum of cane, securing is growing needs and creating a robust manufacturing platform

Shareholder value

Market capitalisation

(in INR Crore)



Your company strengthened shareholder value through a complement of prudent business strategy, accruals reinvestment and cost management

Community value

CSR investment

(in INR Crore)

Your company enriched communities in the geographies of its presence through a complement of CSR programmes.

TALENT MANAGEMENT AT PAKKA LIMITED

Overview

Pakka Limited is dedicated to maximising talent effectiveness through a well-structured approach to human resource management. The policies and practices are designed to facilitate an inclusive, productive and innovative work environment that aligns with its overarching goals and strategic priorities.

At Pakka Limited, the overarching policy focuses on three key elements:

Clarity on role profiles: Your company ensures that every team member has a clear understanding of their roles and responsibilities.

Goal and OKR clarity at all levels: Your company's objectives and key results (OKRs) are clearly defined and communicated across all levels, aligning individual goals with the organisation's strategic objectives.

Scientific performance evaluation system – 'Lakshya Patra': Your company's performance evaluation system is designed to be transparent, objective and aligned with its core values and goals.

HR policy

Pakka Limited comprises a comprehensive set of HR policies aimed at supporting a diverse and dynamic workforce.

HR goals

Long-term goal (5 years): To be among the top 20 places to work for globally.

Short-term goal (FY24-25): To be among the top 25 places to work for in the Manufacturing industry.

Human resources practices

To achieve these ambitious goals, your company implemented several key HR practices:

Talent diversity: Promoting diversity in its workforce to promote creativity and innovation.

Onboarding and team member life cycle excellence: Your company ensured a seamless experience from hiring to retirement.

Performance/ goal-oriented incentivisation: Your company aligns incentives with performance and Organisational goals.

Flat hierarchy: Your company promotes a culture of openness and collaboration.

Training and development: Providing continuous learning opportunities for skill enhancement.

Supportive infrastructure: Your company ensures that team members have the tools and environment they need to succeed.

Initiatives, FY23-24

During the financial year under review, Pakka Limited undertook several major HR initiatives:

Annual targets: Your company established five annual targets for all team members linked to the Organisation's core targets.

Leadership development programme: Your company developed a leadership pipeline to ensure future readiness.

Skill upgradation: Your company evaluates shop floor team members and addresses skill gaps.

Uniform guidelines: Your company ensures consistency in guidelines across all locations.

Goal measurability: Your company aligns financial benefits with measurable goals.

Linking initiatives to organisational priorities

Your company's HR initiatives are aligned with the priority to become one of the top 25 places to work for in the manufacturing domain in India. This alignment ensures that every effort contributes to the broader goal of organisational excellence.

Strengthening skills through training

Your company implemented a structured approach to training:

Strengths of the HR segment

Our HR segment is characterised by the following priorities:

- Competence and qualifications
- Youthful average age
- Passion and teamwork
- Strong leadership pipeline

Impact on corporate performance

- Clarity of KPIs
- Role alignment
- Team contribution clarity
- Monthly target calculation

Emerging as a learning organisation

- Trainee lifecycle management
- Pakka Samriddhi Path
- Leadership development programmes
- Focussed improvement projects and applauding Kaizens
- Viitiya Jaagrookta

Leadership development at every level

- Team members shareholding
- Creation of ownership
- Cross-functional accountability

Promoting a balanced lifestyle

- Mental wellness programmes
- Housing for critical workforce
- Subsidised family leisure trips
- Health and medical benefits
- Subsidised school education

Recruitment standards and workforce metrics

Recruitment standards

- Skill-based campus hiring
- Evaluation matrix for headhunters
- Competitive salaries and benefits

Workforce metrics

38.85
Average age

6.67%
Attrition

66
New hires for FY23-24

Employee safety standards

PPE availability: Your company provides personal protective equipment at all locations.

Safety committees and training: Your company conducts regular meetings and gives ongoing safety training.

No fatal incidents: Your company maintaining a record of no fatal incidents among team members and registered contractual team members.

Code of Conduct

Pakka Limited has articulated a comprehensive Code of Conduct to enhance clarity and confidence among its people, ensuring ethical and responsible behaviour across the Organisation.

Through these comprehensive talent management strategies, Pakka Limited is not only achieving its current HR goals but also laying the foundation for future success and sustainability.

Big numbers

Employees

Year	FY22	FY23	FY24
Employees	432	456	465

Average age

Year	FY22	FY23	FY24
Average age	38.57	38.92	38.85

Employees by gender

Year	FY22	FY23	FY24
Male	96%	94%	94%
Female	4%	6%	6%

Employees by age group

Year	FY22	FY23	FY24
Age group 22-35	44%	43%	42%
Age group 36-45	31%	33%	34%
Age group 46-60	25%	24%	24%

Profile of employees as per education

Year	FY22	FY23	FY24
Graduates	(75) 17.36%	(78) 17.11%	(78) 16.77%
Masters	(44) 10.19%	(44) 9.65%	(44) 9.46%
Engineers	(62) 14.35%	(64) 14.04%	(64) 13.76%
MBAs	(22) 5.09%	(38) 8.33%	(38) 8.17%
Chartered accountants	(03) 0.69%	(02) 0.44%	2 (0.43%

Talent Retention

Year	FY22	FY23	FY24
People retention rate in %	31 (7.18%)	47 (10.31%)	31 (6.67%)

Employees by tenure

Year	FY22	FY23	FY24
More than 5 years (as % of total)	238 (55.09%)	253 (55.48%)	271 (58.28%)

Average remuneration

Year	FY22	FY23	FY24
Average remuneration (INR)	207463111	274400984	310571362

Nationality mix of employees

Year	FY22	FY23	FY24
Indian %	100	100	100
Non-Indian %	0	0	0

RESPONSIBILITY

PAKKA'S ENVIRONMENT-SOCIAL-GOVERNANCE APPROACH

Overview

At Pakka Limited, our ESG commitment is driven by our company's vision: 'By manufacturing compostable packaging, we aim to leave our Mother Earth clean for future generations through the optimal use of natural resources.'. At Pakka, our Environmental, Social, and Governance (ESG) framework highlights this vision.

The environmental aspect emphasises the production of compostable products, the use of sustainable resources, minimising resource consumption, implementing efficient waste management, reducing fossil fuel use, and decreasing our carbon footprint.

The social aspect of our ESG framework focuses on investing in people, fostering a positive Organisational culture, building strong customer relationships, and fulfilling our social responsibilities.

The governance element of our ESG framework outlines our approach to conducting business, including strategic direction, ethical values, codes of conduct, board composition, and alignment with United Nations Global Compact (UNGC) principles.

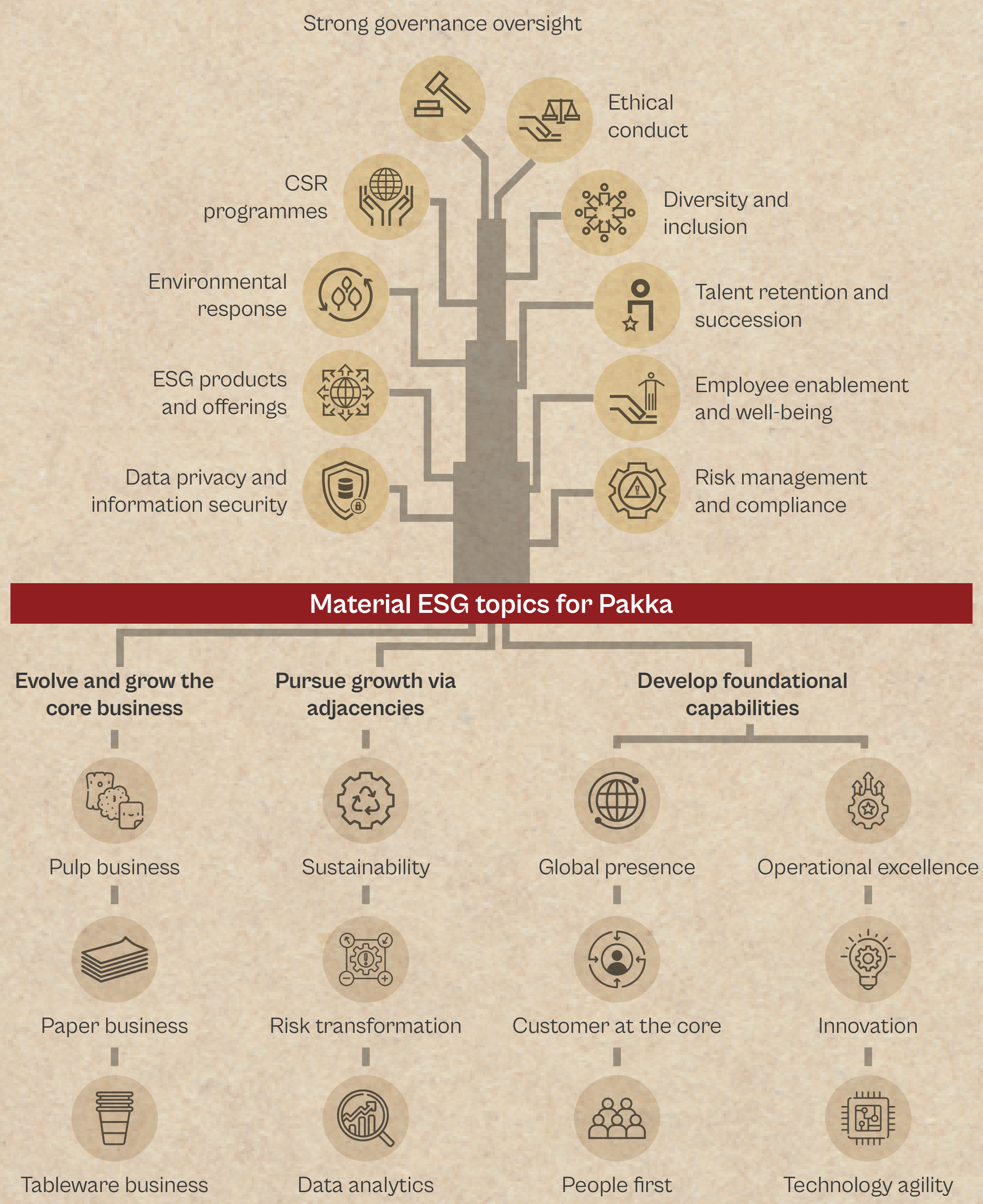
Pakka has minimised its environmental impact by producing eco-friendly products with a reduced ecological footprint.

ESG approach

Pakka's approach to managing environmental, social and governance (ESG) issues across its value chain is guided by:

- Your company's emphasis on matters deemed significant by stakeholders through its ESG materiality evaluation.
- Your company's ESG framework is focused on responsible practices
- Your company's commitment to good governance

Pakka's strategy for responsible ESG practices compels your company to act as responsible stewards for the industry, its workforce and the communities it serves. In 2023, Pakka introduced a fresh framework aimed at enhancing transparency, both within the Organisation and in its external communications, regarding its areas of focus and initiatives.



EHS management system

Pakka's environmental, health and safety (EHS) management system follows the 'Plan, Do, Check, Act' framework, enabling it to evaluate and enhance its practices consistently. Your company's EHS management system broadly aligns with the standards set by the International Standards Organisation (ISO), encompassing clearly defined roles, responsibilities, employee training prerequisites, as well as targets and objectives.

Our environmental principles

The following environmental principles guide our operations:

- Implementing measures to safeguard the environment,
- Reducing waste and pollutants, conserving resources and recycling materials throughout the product life cycle.
- Minimising the intensity of greenhouse gas emissions, enhancing energy efficiency and expanding the use of renewable energy sources as an integral part of its energy portfolio.
- Ongoing evaluation of its facilities' environmental impact on the communities where your company operates, with a commitment to driving continuous enhancements.
- Embedding Environmental Management System (EMS) requirements into its programs to ensure comprehensive environmental responsibility.
- Vigilantly monitoring your company's environmental performance and routinely communicating environmental concerns to its stakeholders.
- Pakka established a subsidiary in the US to gain insights into global environmental and sustainability trends. Your company is exploring the possibility of setting up a manufacturing facility closer to the US to better serve a demanding market and to incorporate global best practices.

EHS management approach

Plan: In its planning process, Pakka establishes goals, objectives and metrics by evaluating its company's performance, EHS initiatives, relevant regulations and external influences that could affect its operations.

Do: Pakka conducts activities according to standards, guidelines and tools that are seamlessly integrated into the EHS management system, encompassing precise expectations for its sites and global business units.

Check: The EHS Governance committee, comprising senior-level executives from all business units, conducts periodic reviews of performance and the advancement made in achieving objectives throughout the year.

Act: Pakka creates corrective measures and ongoing enhancement projects to address EHS issues identified during incident investigations, as well as during routine assessments and audits.

EHS information management

In its pursuit of top-tier EHS performance, your company prioritises adherence to all safety and environmental regulations while aiming for excellence within its industry. Its centralised EHS information management system streamlines data collection, management and dissemination, facilitating continuous improvement. By employing proactive and reactive metrics, your company identifies patterns and opportunities to enhance performance, ensuring a culture of safety and environmental stewardship.

To further strengthen operational efficiency and risk mitigation, efforts are underway to enhance standard operating procedures (SOPs) for boilers, power-generating units, and overall safety protocols. This includes the development of a qualified emergency response team and the upgrading of firefighting infrastructure.

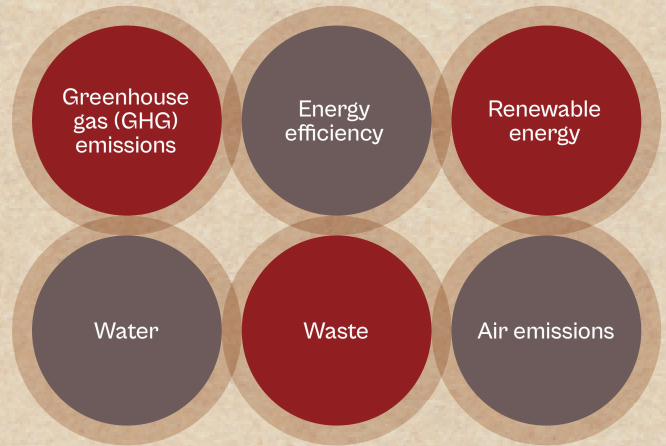
Progress

Pakka achieved 33 KL/MT out of 25 KL/MT long-term water stewardship objectives and committed to achieve 25 KL/MT freshwater consumption within next 2 years. Pakka commitment to environmental improvements remained unwavering. Your company is persistently advancing initiatives aimed at further reducing GHG emissions and enhancing energy efficiency across its operational sites. It remains dedicated to reducing its environmental impact and making substantial progress toward its Net Zero emissions goal.

0.01716
tCO2/MWh
(International Journal of Civil and Environmental Engineering 2:4 2010)

GHG emissions intensity per unit of generation (tCO2/ MWh) versus the Indian grid average of 0.716 tCO2 / MWh (Central Electricity Authority, India)

Environmental stewardship focus areas



Environmental compliance

The principles of your company's EHS policy are put into action through internal directives, norms and standardised operational procedures. It upholds a strong commitment to ethical business conduct and governance principles. Furthermore, it offers comprehensive operational, environmental and community data to local communities and important government stakeholders.

Gaseous emissions

We aim to limit gaseous emissions under the prescribed standards and ensure clean air in and around your company premises. To achieve this, we periodically upgrade our electrostatic precipitators (ESPs) to maintain particulate matter within prescribed norms. We conduct monthly tests of our stack emissions and ambient air quality through a NABL-accredited laboratory, covering PM10, PM2.5, SOx, NOx, CO, CO2 and H2S. Before capitalising on any new equipment, we ensure that it meets the established standards for energy and water efficiency.

Year	FY22	FY23	FY24
Investments in GHG emissions management (INR Lakh) (R&M Cost of APCD)	2.5	12	10

Energy efficiency

In FY23-24, your company consumed 963 kW of energy per tonne of the end product. Our energy conservation commitments and goals include reducing specific power consumption to 950 kW/MT and specific steam consumption to 9.5 MT/MT. To achieve these targets, your company established a dedicated environmental management team, led by the Head of Environment, with qualified members available 24/7 to monitor wastewater quality and oversee ETP operations. Your company invests in energy-efficient and water-efficient equipment, adhering to strict internal standards. Our energy efficiency initiatives resulted in reduced steam and power consumption, resource conservation, and lower production costs. In pursuit of our energy conservation goals, Pakka has undertaken various initiatives and hired dedicated consultants.

Energy consumed

Year	FY22	FY23	FY24
Energy consumed (In house power considered) (KW)	6,15,25,478	6,12,21,780	5,89,51,904

Energy consumed per unit of the end product

Year	FY22	FY23	FY24
Energy consumed per unit produced (KW/MT)	1078.18	1036.35	963

Energy intensity

Year	FY22	FY23	FY24
Energy Intensity (GJ/revenue in Crore)	740.3	539.8	524.4

Effluents

Your company initially reduces pollution load at the source by installing micro plate settlers (MPS) and dissolved air flotation (DAF) systems. Subsequently, all effluent across your company is treated at our effluent treatment plant, allowing us to reuse approximately 40% of the total freshwater consumed in our processes after treatment. Our effluent management commitments and goals include maintaining a chemical oxygen demand (COD) of less than 120 mg/l, a biological oxygen demand (BOD) of less than 18 mg/l, and reducing fresh water consumption to less than 25 kl per Metric Tonnes (KL/MT) of production, down from the current level of approximately 32.9 KL/MT.

Effluents generated

Year	FY22	FY23	FY24
Effluents generated (Km)	25,60,093	22,03,372	21,26,483

Effluent generated per unit of the end product

Year	FY22	FY23	FY24
Effluents generated per unit produced (KL/MT)	44.86	37.30	34.73

Investment to moderate effluents generation

Year	FY22	FY23	FY24
Investment to moderate effluents generation (INR)	1,51,11,414	3,15,43,204	4,27,29,490

Installed capacity of effluents management

Year	FY22	FY23	FY24
Installed capacity of effluents management (KLD)	12,000	12,000	12,000

Proportion of recycled components (treated water reused)

Year	FY22	FY23	FY24
Recycled proportion of products (KL/MT)	15.1	19.2	19.3

Chemicals consumption cost per unit of end product

Year	FY22	FY23	FY24
Chemicals consumption cost of effluent management per unit of the end product	129	150	122

Resource management

At Pakka, we are dedicated to the principle of 'Waste to Wealth', aiming to give back to nature without causing any environmental harm. We utilise bagasse as a raw material and rice husk as boiler fuel, both sourced from agricultural waste. Our 'Good Garbage' initiative emphasises that all waste we generate should return to the environment in a safe manner. This philosophy informs our molded product brand, 'CHUK' which features a diverse range of tableware products designed to help eliminate single-use plastics in the food sector. Our chemical-free products are compostable within 30 days of disposal, reinforcing our commitment to sustainability.

As a company that operates entirely on agro waste, we are determined to remain free from fossil fuel dependency. We also promote the use of decomposable materials in our packaging, and our FDA-approved range of molded products guarantees safety during meals. We collaborate with various research institutes and international Organisations, including UIDO, CPPRI, and CII, to improve our processes while protecting the environment. We focus on reusing system backwater to minimise freshwater consumption and engage with experts and consultancy firms to reduce our carbon footprint and set science-based GHG emissions reduction targets. Our objective is to ensure that no waste ends up in landfills; instead, all waste should be reprocessed, recycled, or managed through scientific methods. For example, the rejected fiber from the backwater in our machine areas is repurposed into egg trays in our in-house facilities, ensuring that nothing is wasted in our fiber recovery.

Resource management efficiency

Reducing freshwater consumption to less than 25 kl per Metric Tonnes (KL/MT) of production, down from the current level of approximately 32.9 KL/MT.

Year	FY22	FY23	FY24
Principal resource consumed by your company by quantum (Tonnes)	**Bagasse**: 105,667 **Rice husk**: 96,808 **Pith**: 11,568	**Bagasse**: 93,099 **Rice husk**: 90,067 **Pith**: 14,444	**Bagasse**: 115647 **Rice husk**: 80315.847 **Pith**: 19117.189

Resource management efficiency

Year	FY22	FY23	FY24
Principal resource consumed by your company by unit of production (Tonnes)	**Bagasse**: 1.85 **Rice Husk**: 1.70 **Pith**: 0.20	**Bagasse**: 1.58 **Rice Husk**: 1.52 **Pith**: 0.24	**Bagasse**: 1.89 **Rice Husk**: 1.31 **Pith**: 0.31

Water management

Water is a precious resource with the availability of fresh drinking water becoming a significant concern. Your company aims to achieve a target of reducing 25 kiloliters of freshwater consumption per ton (KL/ MT) of production, focusing on reusing as much treated water as possible to meet this goal. Our efficient water management program has significantly reduced freshwater consumption per ton of product and minimised groundwater withdrawal. The micro plate settler (MPS) has been instrumental in our water management efforts, enabling us to reuse backwater at the source and reduce the effluent load sent to our effluent treatment plant.

In recognition of our best practices in water management, we received the 'Noteworthy Water Efficient Unit' award from the Confederation of Indian Industry (CII) in 2022 and 2023. We have installed a total of six rainwater harvesting pits within our premises, although the recharge volume is currently not metered.

Water consumed (KL)

Year	FY22	FY23	FY24
Water consumed	19,54,861	21,35,935	20,16,875

Water consumed per unit of the end product (KL/MT)

Year	FY22	FY23	FY24
Water consumed per unit produced	34.26	36.16	32.9

Water reused (KL)

Year	FY22	FY23	FY24
Water reused (KL)	8,59,531	11,35,898	11,79,299

Water intensity (KL/Revenue in Crore)

Year	FY22	FY23	FY24
Water intensity (KL/Revenue in Crore)	6.53	5.23	4.98

Water storage capacity (M3)

Year	FY22	FY23	FY24
Water storage capacity (M3)	700	700	700

Investment in water conservation infrastructure

Year	FY22	FY23	FY24
Water conservation infrastructure investment (INR Lakh)	45	345	450

Year	FY22	FY23	FY24
Rainwater harvested (kl – Approx.)	2700	2700	2700

Big numbers

2016.8
ML, municipal water consumed, FY23-24

NIL
ML, surface water consumed, FY23-24

NIL
ML, water purchased from third parties, FY23-24

764.0
ML, water discharged, FY23-24

Air

Pakka takes proactive steps to regulate emissions across manufacturing, distribution and research and development operations. Pollution prevention strategies include exploring alternative raw materials and fuels with lower volatile organic compound emissions, adopting pollution control technologies and enhancing process efficiency.

Our commitment to environmental stewardship extends to constant monitoring of air pollution using advanced online tools and analysers. These measures not only help maintain a safe environment but also contribute to moderating waste generation at its source.

Waste management

Solid waste management

The major waste generated by your company includes rejected fibre, lime sludge and ETP sludge. Rejected fibre is recovered and repurposed into 'Egg trays' at our in-house manufacturing facility. Lime sludge is partially sent to the cement industry for use in cement production and it is also utilised in road construction and levelling low-lying areas. Our innovation team is continuously working to develop new products that incorporate lime sludge and other waste materials, furthering our commitment to sustainability and resource optimisation.

Year	FY22	FY23	FY24
Solid waste generated (Tonnes)	60205.4	91350.5	86024.2

Year	FY22	FY23	FY24
Solid waste as a % of the resources processed	29.7	49.9	43.9

Year	FY22	FY23	FY24
Solid waste landfilled as a % of the solid waste generated	-	-	-

Waste management practice (%)

Year	FY22	FY23	FY24
Recovery	-	-	-
Reprocess	46.5	69.0	69.58
Recycle	-	-	-
Reuse	-	-	-
Landfill	-	-	-
Incineration	-	-	-

Waste management practice (%)

46.5
% reprocessed in FY21-22

69
% reprocessed in FY22-23

69.58
% reprocessed in FY23-24

Electronic waste

Pakka Limited acknowledges the transformative power of technology in enhancing communication and productivity. However, with this progress comes a responsibility to manage electronic waste responsibly. Improper disposal of electronic devices can pose environmental risks due to the release of hazardous materials.

That is why, Pakka, is dedicated to upholding industry standards for the responsible recycling of electronic waste. By adhering to these standards, it aims to prevent environmental harm and promote responsible stewardship of the planet.

Green cover

Your company is committed to maintaining at least 33% green cover within its premises. As part of various initiatives, we have also planted trees in nearby villages, enhancing the surrounding environment. We aim to achieve a target of planting 2 Million trees over the next ten years. We are transitioning from plastic-based packaging to degradable alternatives, supporting our environmental sustainability goals and contributing to a healthier planet.

Year	FY22	FY23	FY24
Total number of trees within your company's area of influence	-	15,000	60,000

Year	FY22	FY23	FY24
Trees planted by your company	-	-	45,000

Year	FY22	FY23	FY24
Total afforested area (hectares)	10	10	13

Year	FY22	FY23	FY24
Kg CO2 neutralised by your company through its planted trees	-	3,75,000	15,00,000

Paper machine in operation at Pakka's Ayodhya facility.

Focusing on Material ESG Issues

ESG materiality and stakeholder engagement

Pakka actively involves a diverse range of stakeholders to gather input in order to enhance and refine its ESG strategy. Engaging in an ongoing, mutually beneficial dialogue with these stakeholders deepens your company's comprehension of critical ESG matters, enabling it to establish relevant priorities that lead to meaningful outcomes.

Your company's global network of stakeholders encompasses both internal and external individuals and entities whose support is integral to the sustained success of its business or who are significantly affected by its operational activities.

The table below outlines these groups and provides an overview of Pakka's engagement initiatives with each of them.

Stakeholders	Investors	Customers	Employees	NGOs	Industry Associations	Government/ Regulatory	Consumers	Suppliers	Philanthropic Partners
Type of engagement	▪ Annual Meeting of Stockholders ▪ Quarterly earnings presentations ▪ Regular meetings, both in-person and via phone	▪ Customer surveys ▪ Regular meetings with customer teams	▪ Global employee engagement survey ▪ Global employee ESG survey ▪ Senior leadership ESG survey ▪ Business Resource Groups	▪ Ongoing proactive and reactive engagement ▪ In-person meetings on select issues	▪ Industry engagement via meetings and conference calls on key issues ▪ Board participation	▪ Direct engagement with government officials on public policy issues ▪ Indirect advocacy through coalitions and trade groups	▪ Consumer call center ▪ Corporate and brand social media ▪ Consumer insights	▪ Supplier Guiding Principles ▪ Supplier surveys ▪ Supplier audits ▪ Meeting with select suppliers	▪ Donations ▪ Partner collaboration ▪ Participation on partner Boards
Subject areas discussed	▪ Governance ▪ Climate Change ▪ Sustainable sourcing ▪ Health and wellness ▪ Human Right ▪ Operational impact on environment ▪ Transparency/ external reporting ▪ Innovation	▪ Animal welfare ▪ Sustainable sourcing ▪ Operational impact on environment ▪ Community impact/food security ▪ Nutrition and health	▪ Climate change ▪ Sustainable sourcing ▪ Operational impact on environment ▪ Community impact/food security ▪ Nutrition and well-being ▪ Workplace health and safety ▪ Transparency	▪ Climate change ▪ Sustainable sourcing ▪ Water stewardship ▪ Operational impact on environment ▪ Animal welfare ▪ Packaging sustainability ▪ Human rights ▪ Nutrition and well-being ▪ Transparency	▪ Nutrition and well-being ▪ Animal welfare ▪ Food safety ▪ Sustainable and regenerative agriculture	▪ Tax ▪ Trade ▪ Nutrition and well-being ▪ Labeling ▪ Regulatory issues related to ESG	▪ Animal welfare ▪ Packaging sustainability ▪ Sustainable sourcing ▪ Operational impact on environment ▪ Nutrition and well-being ▪ Community impact/food security ▪ Transparency	▪ Climate ▪ Sustainable sourcing ▪ Animal welfare ▪ Packaging sustainability ▪ Human rights ▪ Food safety ▪ Food waste ▪ Innovation	▪ Global hunger alleviation ▪ Community impact/food security ▪ Bottom pyramid empowerment ▪ Sustainable agriculture ▪ Food waste

Social

The success of Pakka is intricately tied to the well-being of the communities it operates in and the skills and dedication of its workforce. Your company leverages the influence of its businesses, coupled with philanthropic resources, data-driven insights and policy acumen to contribute to a more equitable and sustainable economy.

Central to these endeavours is Pakka's commitment to promoting diversity, equity and inclusion (DEI) within the Organisation.

Pakka actively invests in its employees throughout their entire career journey, striving to cultivate a work environment that is both inclusive and supportive.

Our management's approach towards health and safety

Over the past few years, Pakka has prioritised the provision of a healthy and safe working environment for all employees. Through strategic initiatives aimed at enhancing workplace safety and health, your company has consistently reinforced its commitment to this vital aspect of its operations.

This comprehensive approach includes:

Engineering controls: Implementation of various engineering control devices, such as sprinkler systems in fire-prone areas, and 100% engineered lifeline protections on all tanker filling stations.

Administrative controls: Establishment of standard operating procedures (SOPs) to govern critical tasks performed post-normal working hours, ensuring activities are conducted under controlled supervision.

Personal protective equipment: Investment in innovative solutions to enhance employee well-being, such as aquatic panels for noisy machinery and additional earmuffs for employees in high-noise areas.

These measures not only manage identified risks effectively but also contribute to a safer and healthier workplace environment.

Responsible EHS practices are integral to Pakka's ethos, enhancing productivity, consumption efficiency and supporting a confident workforce.

Strengths

Your company is dedicated to achieving EHS objectives through various measures:

- Developing EHS leadership capability
- Successful completion of the IMS annual audit by a third party without any Non-Conformities (NC)

HSE initiatives and achievements, FY23-24

- Validated firefighting measures, implemented a centralised fire alarm management system, and established an emergency control room
- Implemented innovative techniques and recycling methods to manage by-products, effluents, and emissions
- Reduced waste generation through continuous monitoring and quality inputs
- Moderated water consumption through recycling and sewage treatment, with proactive online monitoring reinforcing compliance culture
- Installation of lifeline protection for tanker filling
- In-house development of Training needs & tracking software over Microsoft Excel
- Development of Legal dashboard to track all kinds of licenses
- Introduction of several external agencies to provide trainings for the employees on various safety topics
- Identification and development of own Emergency Response Team
- Certification of first aid providers
- Appointment of floor warden members to handle emergencies.

By investing in such good practices, your company has improved EHS statistics and the cultural transformation is visible.

Addressing challenges

Safeguarding and well-being

Ensuring the plant operates in a manner that safeguards the well-being of its employees and the surrounding community.

Challenge: Maintaining continuous health monitoring for employees, encompassing both mental and physical well-being, poses logistical challenges.

Outcome: Pakka implemented a comprehensive health monitoring program that starts from the moment employees join your company until their departure. This program ensures regular health check-ups and access to support services for mental health concerns, fostering a culture of well-being.

Validation

Your company continually validates and improves its firefighting measures and has implemented advanced systems to ensure safety and control in emergencies.

Challenge: Ensuring the efficacy of firefighting measures in dynamic environments and evolving safety standards.

Outcome: Your company has invested in a dedicated fire network pump house to cater to the entire plant in case of any emergency. By developing the new fire pump house with dedicated water storage capacity for firefighting, we have neutralised the requirement of maintaining the redundancy of fire network in case of any emergency. Regular audits and assessments are conducted to validate the effectiveness of its firefighting measures. It has invested in advanced firefighting equipment and technology, coupled with specialised training for employees to handle emergencies effectively.

Employee engagement in policy formulation

Recognising the importance of engaging employees in policy formulation.

Challenge: Encouraging active participation and feedback from employees in policy formulation.

Outcome: Your company facilitates open dialogue and communication channels to solicit input from employees. This promotes awareness of the value of their insights and contributions, leading to policies that are reflective of their needs and experiences.

Proactive risk assessment and safety measures

Being proactive in assessing risks and enhancing employee competence in risk perception.

Challenge: Ensuring consistent risk assessment and training across diverse roles and departments.

Outcome: Your company conducts specialised training programs, such as HAZOP and 'What If' training, to empower employees to identify and mitigate potential hazards. Verbal, visual and textual communication within its facilities further reinforces safety standards, promoting cooperation among employees and stakeholders.

Customised workforce training

Ensuring customised training tailored to the roles, positions, experiences and backgrounds of its workforce.

Challenge: Meeting the diverse training needs of a large and varied workforce.

Outcome: Your company developed customised training programs that address specific roles, experiences and backgrounds, ensuring that every team member receives training relevant to their responsibilities. This approach enhances overall preparedness and ensures that employees have the skills and knowledge needed to operate safely.

Contractor safety management

Upholding high safety standards in contractor operations.

Challenge: Ensuring contractors adhere to established safety protocols and standards.

Outcome: Your company engages extensively with contractors, providing dedicated resources and rigorous audits to ensure compliance with safety standards. This proactive approach to contractor safety management ensures that all contractors follow established protocols, minimising risks associated with its operations.

Emergency preparedness

Establishing protocols and training for handling emergencies involving toxic and flammable products.

Challenge: Ensuring readiness to handle emergencies in an environment with multiple hazardous materials.

Outcome: Your company has invested in state-of-the-art emergency equipment and established protocols for resource mobilisation during critical situations. Comprehensive training programs equip the workforce with the skills and knowledge needed to identify and mitigate risks effectively, deepening a culture of safety within its Organisation.

Investments in HSE, FY23-24

- Strengthening the emergency siren system by integrating the entire system through laying FO cable and centralising operation from the ECC control room.
- Installation of engineered lifeline systems for all tanker loading and unloading areas to eliminate fall hazards.
- Development of a new fire pump house with higher capacity fire pumps and additional reservoir for emergency firefighting.
- Investment in portable monitors for fighting fire in isolated locations where fire tender access is not possible.
- Establishment of a fully functional emergency control centre (ECC) equipped with CCTV, MCP access and siren system access.
- Upgrade to the air line respirator (ALR) system with a 3-stage filtration system.
- Revision and development of the entire fire department with company payroll staff taking responsibility for emergency department operations.

Outlook

Your company is dedicated to reducing water usage by enhancing effluent treatment and encouraging reuse initiatives. Efforts are underway to optimise the efficiency of boilers, power generation units, and production processes, with the aim of reducing waste generation across operations.

Your company is actively working on establishing a comprehensive process safety management (PSM) team. This team will spearhead the implementation of all 14 critical elements of PSM, ensuring robust safety protocols throughout your company's processes.

Pakka's HSE Policy covers the following criteria

- Respect for the individual
- Commitment to responsibility
- Commitment to society
- Commitment to the environment
- Commitment to innovation
- Continuous improvement
- Organisation and responsibilities
- Implementation

Governance

Pakka is dedicated to practicing responsible corporate governance. It has structured its governance framework to facilitate the embodiment of its vision and values.

Our commitments

Accountability

Pakka will maintain its ESG oversight in conjunction with the Board of Directors. The CEO, key leaders and the respective teams take the lead in championing and endorsing Pakka's ESG objectives, with key performance metrics closely integrated.

Market our products responsibly

Your company will continue to promote and advertise its products in a responsible and fitting manner that is appropriate for all types of audiences.

Promote workplace health and safety

Your company will maintain its commitment to delivering a workplace that prioritises health, safety and security. The safety key performance indicators (KPIs) demonstrated notable improvements compared to the previous year, placing Pakka among the top performers in the compostable industry.

Operate ethically

Your company's dedication to conducting ethical business remains steadfast, characterised by an unwavering commitment to integrity and transparency.

Promote diversity, inclusion and belonging

Your company will maintain its commitment to championing and advancing diversity, inclusion and a sense of belonging throughout every aspect of your company.

Board of Directors

Comprising a diverse and highly qualified group of leaders with significant credentials, Pakka's Board of Directors plays a pivotal role in shaping corporate policies, defining strategic direction, and supervising day-to-day operations. Operating in accordance with Pakka's Corporate Governance guidelines, the Board is dedicated to promoting the long-term success of your company and providing strategic guidance to achieve impactful results on a global scale.

The Board of Directors takes an active role in establishing and supervising Pakka's global ESG objectives and framework. This encompasses various aspects such as operations, supply chain management, animal welfare, climate change, environmental stewardship, nutrition and well-being, as well as social considerations. The Board conducts comprehensive assessments of all significant ESG policies, processes, and goals, receiving regular updates from the ESG team regarding progress against key performance indicators and other pertinent developments.

Executive leadership team

Pakka's ESG strategy is overseen and executed by the Executive Leadership Team. This team, led by the Environment Head, consists of additional executives representing various functional areas, including finance, sales, operations, procurement, marketing, research and development, human resources, legal/ethics and compliance, communications, and corporate affairs. They receive quarterly updates and progress reports from the ESG team.

ESG team and steering committee

Accountable to the Board of Directors and in collaboration with the executive leadership team, the ESG team is responsible for planning, developing, implementing and continually enhancing its ESG strategy, objectives and projects. The ESG team maintains regular engagement with essential stakeholders, including consumers, customers, shareholders, employees, non-governmental organisations (NGOs) and community leaders, while also taking the lead in managing the ESG steering committee.

The ESG steering committee is composed of leaders from various functional areas worldwide. These leaders are entrusted with mobilising the Organisation and fostering interdepartmental collaboration to guide the creation, implementation, continuous enhancement and measurement of pertinent ESG policies, procedures and initiatives. The ESG steering committee convenes subcommittees regularly, each focused on specific areas such as product health, sustainable agriculture, responsible sourcing, sustainable manufacturing, sustainable packaging, animal welfare, corporate and government affairs and communications.

These practices are intentionally designed to ensure that the ESG efforts align seamlessly with the business strategies and operational goals. The CEO, in tandem with key leadership figures and other team members, is held accountable for ESG key performance metrics, which are directly tied to compensation related to all ESG initiatives.

Pakka and United Nations' sustainable development goals (SDGs)

The United Nations has introduced 17 Sustainable Development Goals (SDGs) to foster a better, cleaner, and more equitable world. These goals focus on addressing global challenges such as poverty, climate change, environmental degradation, and promoting peace and justice. The UN has called on countries to take action to achieve these goals by 2030.

As a responsible corporate citizen, Pakka is dedicated to fulfilling the SDGs relevant to its business model. Your company's economic, social, and environmental objectives and actions are aligned with these global goals.

Good health and well-being

Our company's policies prioritise employee health and well-being, including organising monthly health camps for full body check-ups.

Quality education

The Pakka Foundation employs a unique hub-and-spoke model, connecting six pre-primary schools (Krishna Niketans) with hub schools for primary and secondary education.

Gender equality
Reduced inequalities

We maintain stringent policies against child labour, slavery, sexual harassment, and discrimination, both internally and with our suppliers.

Decent work and economic growth

Through a comprehensive learning and development policy, Pakka offers career management counselling and training programs.

Sustainable cities and communities

Pakka's culture is defined by its values, emphasising a shift from traditional pulp and paper manufacturing to sustainable packaging and tableware.

Clean water and sanitation

Pakka meticulously tracks water consumption through metering and monitors key performance indicators (KPIs) such as biochemical oxygen demand (BOD) and chemical oxygen demand (COD) to manage effluents effectively

Industry, innovation and infrastructure

By fostering extensive social engagements, the brand deepens its community relevance. Your company re-pulps and reuses rejected products, enhancing the role of a circular economy within operations. CHUK has eliminated plastic in its product design.

Responsible consumption and production

Our company prioritises sustainable agricultural practices, ensuring minimal environmental impact in sugarcane cultivation, a crucial raw material for bio-based tableware production.

Climate action

Pakka employees planted saplings on World Environment Day.

Life below water

In Ayodhya, Pakka has created a Miyawaki mini-forest with over 5,000 saplings of around 30 different species and shrubs in an area of approximately 2,600 m² near Pakka Skills.

Life on land

In collaboration with the Malligavad Foundation, Pakka adopted five ponds and lakes covering over 3.56 acres around the Ayodhya plant. Pakka employees plant saplings on World Environment Day.

CORPORATE SOCIAL RESPONSIBILITY OVERVIEW AT PAKKA

Corporate social responsibility is a core element of modern business, reflecting a company's dedication to ethical operations, community development and environmental sustainability. By integrating CSR into strategy, a company like Pakka has contributed to societal well-being and enhanced social acceptability.

Our CSR initiatives, implemented formally since 2006, were restructured in 2022 to align closer with Pakka's values and the 3 E's (education, employment and ecology).

Education

Early childhood education: Recognising the importance of early rural childhood education, your company provides foundational learning to children (aged two to six) through Krishna Niketan pre-primary schools.

Krishna Niketan pre-primary schools: Your company's six pre-primary schools enrol about 200 students each year. These children transition to Yash Vidya Mandir, affiliated with the Central Board of Secondary Education for grades 1-12, preparing them for academic knowledge and 21st-century capabilities.

Your company plans to expand to ten pre-primary schools and enhance Yash Vidya Mandir infrastructure and staffing to address more students.

Employment

Building technical skills: Our employment initiatives develop technical skills among local youth, preparing them for careers in the manufacturing sector.

Pakka Skills Institute: The Pakka Skills Institute provides industry-aligned training, with a focus on female students. In 2022, scholarships enabled 18 girls to secure employment at Tata Electronics.

Women's empowerment: Your company empowers women with vocational skills, training them to create jute products in partnership with Goodearth for Life, facilitating income generation and skill enhancement.

Supporting self-employment: Your company supports entrepreneurial women, forming self-help groups, providing funding and mentorship to help them achieve sustainable growth.

Ecology

Pond rejuvenation projects: Your company rejuvenates local ponds to support water resources. It rejuvenated six ponds and plans to restore 75 ponds by 2030 (nine in 2025).

Our CSR budget

1.02
INR Crore, total eligible amount for FY23-24

80
% of CSR budget allocated for promoting education

10
% of CSR budget allocated for employment

10
% of CSR budget allocated for ecology

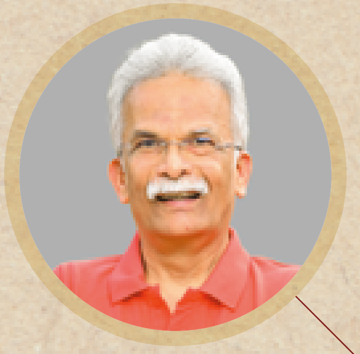
Jute bag training and manufacturing by local women

Students training on machines at Pakka Skills

Holistic learning at the pre-primary level in Krishna Niketan

Self reflection each day after class in Krishna Niketan

OUR BOARD OF DIRECTORS

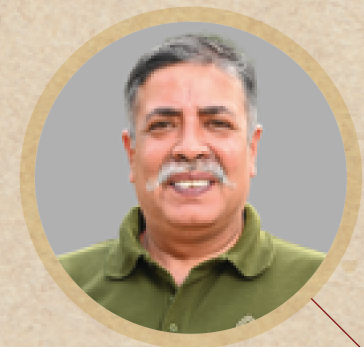


Pradeep Vasant Dhobale
Chairman and Independent Director

Pradeep Dhobale is a distinguished leader in the paper industry, having advanced from a trainee to a Board-level executive at ITC. He spearheaded ITC's paper division, driving substantial growth throughout his tenure. Continuing his passion for learning and leadership beyond retirement, he actively mentors various startups, helping budding entrepreneurs in reaching their objectives. We are fortunate to benefit from his vast experience and mentorship on our Board.

Ved Krishna
Non-Executive Vice Chairman (Promoter)

Ved, our Vice-Chairman, is a steadfast optimist who remains firm against challenges. His leadership has steered us through numerous difficulties, propelling continual advancement. With a sharp strategic acumen, he consistently seeks innovative strategies to expand our business. Boasting over 15 years of experience within our Organisation, he has played a pivotal role in quadrupling your company's size. His invaluable guidance shapes our future strategies, and he continuously inspires the team to achieve greater success.



Jagdeep Hira
Managing Director

Jagdeep has spent most of his professional life in the paper industry, acquiring a wealth of experience in operating a range of machinery and developing various paper grades. His career has spanned both domestic and international settings, where he has excelled in leading teams toward building successful Organisations. His thorough engagement in operational processes enables him to understand, identify, and effectively resolve issues.

Manjula Jhunjhunwala
Director, Promoter

Manjula Jhunjhunwala is our revered Founder Director and, as stated by our Founder, Mr. KK Jhunjhunwala, the existence of our business is credited to her. She generously sold her jewellery to provide the initial capital necessary for her husband to establish your company. Beyond her business savvy, she is a distinguished educationist and philanthropist, well-known for her impactful work in early education with the Jingle Bells Nursery Schools Society. She is dedicated to creating a better nation for future generations and works relentlessly towards this aim.

Kimberly Ann McArthur
Director, Promoters' Group

Kim adds an international perspective to the Board, known for her zest for life. She holds a Master's degree in Communication and founded Freerange Studios, a distinguished design firm dedicated to social causes. Kim is an excellent communicator with a keen intellect capable of evaluating issues and offering practical guidance. Her decade of experience in managing her own business has endowed her with strategic business insights and exceptional aesthetic and design skills. Kim is also deeply dedicated to Pakka's CSR initiatives, actively contributing to their success.

Alok Ranjan
Independent Director

Imagine leading a state, building a metro from scratch and writing books on the side. That is Alok! With a passion for progress, he has tackled everything from industrial policy to women's safety. He finds joy in sharing his knowledge, whether through teaching, writing, or mentoring. A leader, he is not just about getting things done but also about leaving a meaningful impact.

Anna Kay Warrington
Independent Director

Anna's journey is not about titles (though she has got plenty of those). From helping airlines fly in a more environmentally sustainable way to leading high-performing teams, she is a professional at driving positive change. She is passionate about our planet, loves a good dive and gets people talking about sustainability in creative ways. Her passion is contagious. She inspires and empowers others to make a difference.

Basant Kumar Khaitan
Independent Director

Basant Kumar Khaitan is a distinguished entrepreneur, and his company, Wires and Fabrics Limited, stands as a key supplier in the paper industry. He is known for his brilliant intellect, which enriches every conversation. With his keen business acumen, Mr. Khaitan prioritises customer satisfaction and efficient business practices. His expertise is particularly strong in analysing figures and deriving meaningful insights from data.

Himanshu Kapoor
Non-Executive Director

Himanshu, with 26 years of experience as a Chartered Accountant, is an expert in financial areas including global taxation, mergers and acquisitions, and funding and equity investments. His international expertise has been instrumental in driving key decisions for Pakka. Despite his extensive background, Himanshu is approachable and friendly.

Shubham Tibrewal
Independent Director

Shubham, a new-generation representative on Pakka's Board, brings a solid finance background and a global outlook. His expertise strengthens Pakka's global expansion strategies. With over a decade of experience in Paris, where he honed his financial skills and became fluent in French, Shubham offers valuable insights during Board discussions. He is a strong advocate for health and environmentally-conscious products, reflecting his dedication to societal improvement.

Rahul Krantikumar Dharmadhikary
Independent Director

Rahul Dharmadhikary, a researcher-turned-business development professional, has risen to become a global industry leader. He holds a Ph.D. in Fiber and Polymer Science from North Carolina State University in Raleigh, NC. Starting his career in the pulp and paper industry, he later made his mark in the non-woven and filtration sectors. He now guides Pakka in channeling innovative systems and application-based work.

Gautam Ghosh
Executive Director

Gautam is your go-to person for getting things done. Starting off as a Business Development Head, he brings over 15 years of experience. At Pakka, he excelled in marketing strategies and building strong customer relations, transitioning to the role of Liaison Head, where he ensured legal compliance and fostered government partnerships. He has shaped Pakka's growth by driving workplace SOPs, leadership development and recruitment strategies. Outside of work, he enjoys traveling and connecting with friends and family.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

Overview

The global growth proved surprisingly resilient despite higher policy rates. Economic activity outpaced expectations in most countries, and employment, in particular, remained robust, even as inflation retreated significantly. The global economy registered a decline in growth from 3.5% in 2022 to an estimated 3.1% in 2023. Asia is expected to contribute significantly to global growth in FY23-24, despite the weaker-than-expected recovery in China, sustained weakness in USA, rising energy costs in Europe, weak global consumer sentiment due to the Ukraine-Russia war, and the Red Sea crisis resulting in increased logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Inflation is edging down from multi-decade highs, with intermittent upticks. Financial market sentiments have been fluctuating with changing views about an early pivot by central banks in advanced economies (AEs). Growth in advanced economies is estimated to decline from 2.6% in 2022 to 1.5% in 2023 and further, 1.4% in 2024 as policy tightening takes effect.

Emerging markets and developing countries are projected to report a modest decline in economic growth from 4.1% in 2022 to 4.0% in 2023 and 2024. Emerging market economies (EMEs) are facing currency fluctuations amidst volatile capital flows.

The likelihood of lower interest rates has spurred rallies in equity markets, although uncertainty about the timing of interest rate reduction is reflected in bidirectional movements in the US dollar and sovereign bond yields. Global equity markets ended 2024 on a strong note, with major global equity benchmarks achieving double-digit returns. This outperformance was driven by a downturn in global inflation, a slide in the dollar index, declining crude prices, and higher expectations of rate cuts by the US Fed and other Central banks.

Global inflation is projected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024 on account of a tighter monetary policy coupled with relatively lower international commodity prices. Core inflation is expected to decrease gradually, as inflation is not expected to return to its target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that raised the benchmark borrowing costs to their highest in over 22 years.

Global headline inflation is expected to fall from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies. The pace of convergence toward higher living standards for middle- and lower-income countries has slowed, implying a persistence in global economic disparities.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States: Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

China: GDP growth was 5.2% in 2023 compared to 3% in 2022

United Kingdom: GDP grew by 0.4% in 2023 compared to 4.3% in 2022

Japan: GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

Germany: GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook

Asia is poised to continue leading global growth in FY24-25. Inflation is expected to ease gradually as cost pressures decrease; headline inflation in G20 countries is projected to decline. Amid high inflation and monetary tightening, the global economy has shown resilience as the growth is expected to be stabilised at previous levels over the next two years (Source: World Bank).

The baseline forecast is for the world economy to continue growing at 3.2% during 2024 and 2025, at the same pace as in 2023. A little acceleration in advanced countries–where growth is predicted to climb from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025–will be countered by a modest slowdown in emerging market and developing economies, from 4.3% in 2023 to 4.2% in both 2024 and 2025. The global growth projections for the next five years are at its lowest in decades, at 3.1%. Global inflation is expected to slowly drop, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced nations returning to their inflation objectives sooner than emerging market and developing economies.

Core inflation is expected to drop more gradually. Despite large interest rate rises by central banks to preserve price stability, the global economy has remained unexpectedly robust.

Indian economy

Overview: The Indian economy was estimated to grow 7.8% in FY23-24 as against 7.2% in FY22-23 primarily driven by improved performance in the mining and quarrying, manufacturing, and certain segments of the services sector. Along with being one of the fastest growing economies in the world, India ranked fifth in the world in terms of nominal GDP for 2023 according to IMF forecasts (World Economic Outlook -April 2024 Update). India overtook the UK to become the fifth-largest economy in the world in 2022 and has maintained its position since then. In terms of purchasing power parity ("PPP"), India is the third largest economy in the world, only after China and the United States.

The Indian rupee displayed relative resilience compared to the previous year as the rupee depreciated 0.8% from INR 82.66 against the US dollar on the first trading day of 2023 to INR 82.18 on the last trading day of December 2023.

The International Monetary Fund (IMF), in its April 2024 economic outlook update, revised its India economic growth estimate in real terms for Fiscal 2024 to 7.6% from the previous 6.3% estimate in October 2023, citing momentum from resilient domestic demand. Further, the growth forecast for Fiscal 2025 also witnessed an increase of 6.5% from the previous 6.3% forecast in October 2023.In the 11 months of FY23-24, the CPI inflation experienced an average of 5.4% with rural inflation exceeding urban inflation. Food inflation experienced a spike on account of lower production and erratic weather. Core inflation, on the other hand, averaged at 4.5%, down from 6.2% in FY22-23, moderated by softening global commodity prices.

India's foreign exchange reserves reached a historic peak of USD 645.6 Billion. The credit quality of Indian companies remained robust from October 2023 to March 2024 on account of deleveraged Balance Sheets, sustained domestic demand, and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in the second half of FY23-24. UPI transactions in India witnessed a record 56% growth in volume and 43% growth in value in FY23-24.

India's monsoon in 2023 hit a five-year low, with August marking the driest month in a century. Despite receiving only 94% of its long-term average rainfall from June to September, wheat production estimatedly recorded 114 Million Tonnes in the FY23-24 crop year due to higher coverage. Rice production was anticipated to decrease to reach 106 Million Metric Tonnes (MMT) in comparison to 132 Million Metric Tonnes in the previous year. Total Kharif pulses produced in FY23-24 stood at an estimated 71.18 Lakh metric tonnes, which is lower than FY22-23 due to climatic conditions. As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output is projected to have grown 6.5% in FY23-24 compared to 1.3% in FY22-23. The Indian mining sector experienced an estimated growth of 8.1% in FY23-24 compared to 4.1% in FY22-23. Financial services, real estate, and professional services grew a projected 8.9% in FY23-24 compared to 7.1% in FY22-23.

Real GDP or GDP at constant prices increased from to INR 160.71 Lakh Crore in FY22-23

Growth of the Indian economy

	FY21	FY22	FY23	FY24
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

Growth of the Indian economy quarter by quarter, FY23-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Real GDP growth (%)	8.2	8.1	8.4	7.8

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald) (provisional GDP estimate released on 31st May, 2023) to an estimated INR 173.82 Lakh Crore in FY23-24. Growth in real GDP during FY23-24 stood at 8.2% compared to 7.2% in FY22-23. Nominal GDP or GDP at current prices was estimated at INR 295.36 Lakh Crore in FY23-24 as compared to the provisional FY22-23 GDP estimate of INR 269.50 Lakh Crore. The gross non-performing asset ratio for scheduled commercial banks improved from 4.1% as of March 2023 to 2.8% as of March 2024.

India's exports of goods and services were expected to reach USD 900 Billion in FY23-24 compared to USD 770 Billion in the previous year despite global headwinds. Merchandise exports were expected to expand between USD 495 Billion and USD 500 Billion, while services exports were expected to touch USD 400 Billion during the year. India's net direct tax collection increased 17.7% to INR 19.58 Lakh Crore in FY23-24. Gross GST collection amounted to INR 20.2 Lakh Crore, marking an 11.7% increase, with an average monthly collection of INR 1,68,000 Crore, surpassing the previous year's average of INR 1,50,000 Crore.

The agriculture sector projected grew 1.8% in FY23-24, which is lower than the 4% expansion recorded in FY22-23. Trade, hotel, transport, communication, and services related to the broadcasting segment are estimated to grow at 6.3% in FY23-24, a contraction from 14% in FY22-23. The Indian automobile segment was expected to close FY23-24 with a growth of 6-9%, despite global supply chain disruptions and rising ownership costs. The construction sector was expected to grow 10.7% year-on-year from 10% in FY22-23. Public administration, defence and other services were projected to grow by 7.7% in FY23-24 as against 7.2% in FY22-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9%, down from 7% in FY22-23.

India entered a pivotal phase in its S-curve, marked by rapid urbanisation, industrialisation, increase in household incomes, and rising energy consumption. The country emerged as the fifth largest economy with a GDP of USD 3.6 Trillion and a nominal per capita income of INR 123,945 in FY23-24.

In FY23-24, India's Nifty 50 index experienced a 30% growth, propelling India's stock market to become the fourth largest globally with a market capitalisation of USD 4 Trillion. Foreign investment in Indian government bonds saw a significant increase in the final quarter of 2023. India ranked 63rd out of 190 economies in the ease of doing business, according to the latest World Bank annual ratings. Moreover, India's unemployment rate in urban areas declined to 6.7% in Jan-Mar 2024 according to NSSO from 6.8% during the same quarter last year, it was recorded at 6.6% in both the April-June 2023 quarter and July-Sept 2023 quarter, and 6.5% for Oct-Dec 2023 quarter.

Outlook

India successfully tackled its global economic challenges in 2023 and is poised to continue as the world's fastest-growing major economy backed by a growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to reach USD 4.34 Trillion by 2025.

Union Budget FY24-25

The Union Budget FY24-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In FY24-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at INR 6.22 Lakh Crore, accounting for 12.90% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road Transport and Highways, Railways and Consumer Affairs, Food and Public Distribution.

(Source: Times News Network, Economic Times, Business Standard, Times of India)

Global packaging market overview

The global packaging market size is estimated at USD 1.17 Trillion in 2024, and is expected to reach USD 1.42 Trillion by 2028, growing at a CAGR of 3.9% during the time spanning 2023 to 2028.

On a regional basis, Asia emerged as the largest packaging market, recording sales of USD 470 Billion in 2023. North America followed with sales amounting to USD 270 Billion, and Western Europe registered a market size of USD 234 Billion.

Over the last ten years, steady growth in the global packaging market has been fuelled by shifts in substrate preferences, expansion into new markets and changes in ownership structures. Within the food sector, flexible packaging, high-barrier films and stand-up retort pouches are becoming more popular, challenging conventional packaging options such as metal tins and glass jars. Besides, with the transformation of the Internet of Things (IoT), RFID tags, QR codes and sensors, smart packaging solutions are becoming pivotal in the packaging industry.

Increasing retail sales are prompting manufacturers to develop innovative packaging to captivate consumers. Eye-catching and creatively designed packaging helps products stand out on retail shelves and attract consumer interest, thereby driving the adoption of advanced packaging solutions.

However, the growing use of non-recyclable, non-biodegradable plastic packaging is contributing to higher carbon emissions, which could hinder growth. In response, major corporations like Amazon, Google, and Tetrapak are shifting towards net-zero carbon emissions goals, shaping their future investment strategies in capital.

(Source: Smithers, Mordor Intelligence)

Indian paper and packaging market overview

The Indian paper and packaging market is projected to expand from USD 15.96 Billion in 2024 to USD 38.87 Billion by 2029, at a CAGR of 19.48%. The imports of paper and paperboards into India surged by 34%, registering ~19.3 Lakh Tonnes in FY23-24, primarily on account of increased shipments from ASEAN countries. This influx has undermined the 'Make in India' initiative and adversely affected employment for around 500,000 farmers involved with the domestic paper industry through agro and farm forestry initiatives.

India possesses ample capacity to produce nearly all paper grades domestically, yet large imports are threatening the economic sustainability of many mills. Out of more than 900 paper mills, only 553 remain operational. The imports, largely from ASEAN under the ASEAN-India Free Trade Agreement, benefit from zero import duties. Additional import tariff concessions to China under the Asia Pacific Trade Agreement (APTA) and to ASEAN and Korean Free Trade Agreements (FTAs) have further intensified the competition. Subsidies provided by some of these countries to their paper mills offer them a cost advantage, further challenging the viability of Indian paper mills.

In FY22-23, India exported paper and paperboard products valued at around USD 3.04 Billion, while exports of pulp and waste paper reached a minimal USD 3.59 Million. Per capita paper consumption in India stood at an approximate 15 kg in the same year. The Indian paper industry, contributing to 5% of global production, shows significant potential for growth. The flexible packaging market in India is projected to expand by USD 15.57 Billion from 2023 to 2028, with a compound annual growth rate (CAGR) of 12.69%. There is a rising demand for paper, particularly in the packaging of FMCG products and ready-to-eat foods.

Packaging-grade paper constitutes 55% of the primary types of paper produced domestically within the paper and paperboard industry. Expected growth for packaging paper volume was 6-8% in FY23-24, driven by the pharmaceutical and FMCG sectors. Meanwhile, writing and printing paper volumes increased by only 3-5%, affected by the shift towards digitalisation.

The expansion in the sector is fuelled by a significant increase in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing and healthcare. Moreover, various government initiatives such as 'Make in India' have positively influenced the packaging industry. Currently, the paper and packaging industry ranks as the fifth largest sector in the Indian economy.

(Source: Mordor Intelligence, Prink week India, IBEF, Economics Times, Statista)

Global compostable packaging market overview

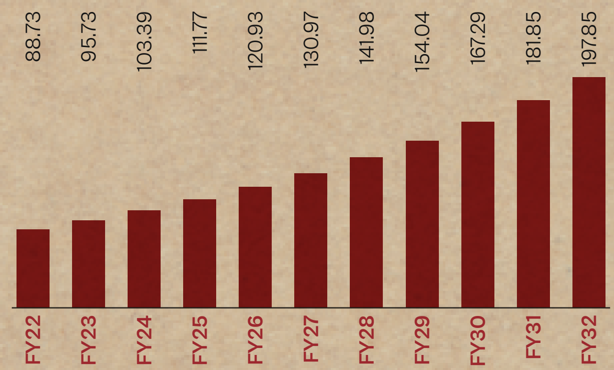
Compostable packaging provides an eco-friendly solution by offering sustainable materials that are easily broken down in home or industrial compost settings. This alternative to single-use plastics helps to minimise landfill waste. The key driver for the growth of the global compostable packaging market is the increasing awareness of biodegradable and compostable packaging options. The demand for visually appealing products also presents opportunities for market expansion. Furthermore, innovative developments by manufacturers are helping to propel the growth of the compostable packaging market. The market is projected to grow from USD 103.39 Billion in 2024 to approximately USD 197.85 Billion by 2032, with a CAGR of 8.4% from 2023 to 2032.

On a regional basis, Europe is at the forefront of the compostable packaging industry, driven by increasing consumer awareness of the environmental impact of their purchases. Research indicates that over half of European consumers are prepared to spend more on sustainable products. Consequently, global companies are compelled to develop and adopt eco-friendly packaging solutions that help reduce waste disposal.

In the United States, only 15% of the composting facilities process certain types of biodegradable packaging. About 55% of these facilities exclusively handle green waste, like yard debris and agricultural residues, while around 45% also accept food waste along with other

Global Compostable Packaging Market, 2022 to 2032

(USD Billion)



biodegradable materials. Nearly 29% of the facilities are equipped to process food waste, and an additional 15% can handle both packaging materials and food waste.

As developing economies undergo rapid industrialisation and urbanisation, there is a rising consumer awareness and demand for sustainable packaging solutions. These markets often see an expanding middle-class population with increased environmental awareness, fuelling the adoption of compostable packaging materials.

Governments are placing greater emphasis on environmentally sustainable practices, leading to regulations and policies that encourage or require the use of compostable packaging materials. These efforts aim to reduce the environmental impact of traditional packaging and tackle issues associated with plastic waste. With governmental support, a favourable environment is being created for businesses to adopt compostable packaging solutions, encouraging a global shift toward eco-friendly alternatives. As governments actively advocate for sustainability, the compostable packaging market is experiencing significant growth, supported by a collective push toward a more environmentally responsible packaging ecosystem.

(Source: Globe News Wire, Data Bridge Market Research, Fortune Business Insights)

Growth drivers

Rising disposable income: India's gross national disposable income is expected to expand 14.5% in FY22-23 and further by 8.9% in FY23-24, reaching INR 2.14 Lakh for the current fiscal year. This rise in disposable income is further anticipated to result in growth of retail market in India, resulting in a boost for the packaging market.

Increase in population: The population in India increased by 13 Million in 2023, resulting in a 1.44 Billion strong people in the country. This ever-increasing population growth in the country is further anticipated to result in an increase in retail market and further in a rise in the packaging market.

Urbanisation and lifestyle changes: As more people migrate to urban areas, there's an increasing demand for packaged goods due to the convenience they offer. Urban lifestyles also lead to higher consumption of fast-moving consumer goods (FMCG), which are predominantly sold in packaged forms.

Retail sector expansion: The expansion of organised retail and the emergence of e-commerce are significant growth drivers for the packaging industry. Supermarkets and hypermarkets require sophisticated packaging solutions for better shelf appeal and product differentiation. Moreover, the surge in online shopping has spurred demand for robust and secure packaging materials that can withstand the logistics involved in e-commerce distribution.

Consumer awareness and preferences: Increasing consumer awareness regarding health, hygiene, and the quality of products has led to a greater demand for packaging solutions that extend shelf life and maintain product integrity. There's also a growing preference for sustainable and eco-friendly packaging among Indian consumers, which is pushing companies to innovate with biodegradable and recyclable materials.

Growth in Indian hospitality sector: In 2023, the international visitors to India increased to 7.2 Million, reflecting a growing interest and confidence in the nation's hospitality offerings. Moreover, there has been a transition in consumer behaviour, with a growing emphasis on food quality and hygiene. This is anticipated to result in a rising demand for sustainable and hygienic packaging in the country.

(Source: Economic Times, DataReportal, irecwire.com)

Company overview

Pakka Limited is a renowned manufacturer of bagasse-based pulp, paper, compostable tableware and flexible packaging in India. Operating from an integrated facility in Ayodhya, Uttar Pradesh, your company's products are gaining popularity due to their superior and customised quality. The production uses locally sourced sugarcane waste, which is then processed into paper, pulp and molded products. Moreover, your company has recently initiated the production of low-grammage kraft grades. At present, Pakka Limited is focused on the development of compostable packaging solutions.

Your company's financial performance

During the year under review, your company generated a revenue of INR 404.74 Crore compared to INR 408.31 Crore in the previous year. However, your company incurred a net profit of INR 48 Crore, as opposed to a net profit of INR 51.46 Crore in the previous year.

Details of significant changes in the key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, details of significant changes in key financial ratios and any changes in Return on Net worth of your company including explanations thereof are given below:

Year ended 31st March	FY24	FY23
Current ratio	2.11	1.35
Debt-equity ratio	0.69	0.48
Return on Net worth / Equity	18.38	24.11
Net profit ratio	12.02	12.6
Return on capital employed (%)	20.13	31.58

Risk management

At Pakka, our strategy is designed to maximise opportunities while minimising potential risks. Management places a strong emphasis on risk management to ensure the enhancement of long-term value. Our company's enterprise risk management (ERM) is integrated with both strategy and execution. The goal is to identify and address the most significant risks that could affect our company and to take appropriate steps to mitigate or capitalise on them. The ERM framework provides a uniform approach to managing risk. Below, we have outlined the principal risks faced by your company.

Risk / uncertainty	Impact on capitals
Credit risk The possibility of defaults on trade receivables arising from unpredictable trade or economic circumstances.	▪ Financial ▪ Social and relationship
Health and safety risk The potential for occupational health and safety hazards affecting workers.	▪ Social and relationship ▪ Human
Cybersecurity risks Potential loss of operational and confidential data due to security breaches or system failures, along with disruptions in operations caused by IT system breakdowns.	▪ Intellectual ▪ Social and relationship ▪ Financial
Reputational risk Inability to effectively manage social and environmental impacts may lead to a loss of social license to operate disrupting business activities.	▪ Intellectual ▪ Financial ▪ Social and relationship ▪ Human ▪ Natural

Inherent risk	Mitigation strategy
As of 31st March, 2024, your company reported total trade receivables of INR 40 Crore against revenues of INR 404.74 Crore	▪ The receivables level was low and considered safe. ▪ Your company is focused on accelerating the cash conversion cycle. ▪ Recovery specialists are actively working with clients to ensure timely collection of dues. ▪ Your company's exports were securely managed.
Given its focus on manufacturing, your company faces significant health and safety risks due to working with hazardous chemicals and high temperatures.	▪ Your company maintains a certified health and safety management system to protect employees. ▪ Strict safety measures have been implemented in industrial environments to enhance security. ▪ Investments have been made in safety training, signage, protocols and protective equipment.
The processing of large volumes of data presents an inherent risk of data breaches.	▪ Comprehensive controls and audits have been put in place to safeguard IT infrastructure and data. ▪ Periodic technical assessments help identify and address network vulnerabilities. ▪ Your company implemented robust data storage solutions. ▪ Employee training on information security is conducted regularly.

Inherent risk	Mitigation strategy
The large scale of operations and workforce heightens the risk of systemic transgressions.	▪ A code of conduct is enforced to ensure ethical behaviour among employees. ▪ Certified systems for quality, environment management and social accountability swiftly addresses any impacts. ▪ Your company maintains mutually beneficial relationships with the community and business partners.
Market volatility poses a risk to profit margins.	▪ Your company benefits from vertical integration, starting from bagasse to pulp, paper, and compostable tableware. ▪ Your company is positioned to remain viable through various market conditions. ▪ Your company's profitability is derived from scale, integration, experience, value addition and a diverse product mix. ▪ Your company carries minimal long-term debt.
Your company's products might face market resistance.	▪ The global market for compostable products is expanding. ▪ Government initiatives are promoting the transition from plastics to compostable alternatives, broadening potential markets. ▪ There is a significant and growing demand for compostable flexible packaging and tableware.

Human resources management

Your company believes that the quality of its workforce is crucial to its success and is dedicated to providing them with the necessary skills and knowledge to adapt to advancements in technology. During the year, your company maintained positive relations with its employees and focused on providing training and skill development opportunities to help them navigate the changing work environment. As of 31st March 2024, your company currently has 465 permanent team members, 410 contractor member, 66 trainees.

Internal control system and their adequacy

In any industry, the processes and internal control systems play a critical role in the health of your company. Pakka's well-defined Organisational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, your company continuously upgrades these systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other such data.

Cautionary statement

Certain statements in this Management Discussion and Analysis, describing your company's objectives, outlook and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Several factors make a significant difference to your company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and such other factors over which your company does not have any direct control.

PAKKA LIMITED

(Previously known as Yash Pakka Limited)
Regd. Office: 312, Plaza Kalpana Society, 24/147, B-49, Birhana Road, Kanpur,
Uttar Pradesh - 208001, India
Corp. Office: Yash Nagar, Ayodhya, Uttar Pradesh – 224 135, India
CIN: L24231UP1981PLC005294 | T: +91 5278 258174
E: connect@pakka.com | Website: https://www.pakka.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 44TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PAKKA LIMITED will be held on **Saturday, the 28th September, 2024 at 09:00 a.m.** (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), 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 31st March, 2024 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 31st March, 2024 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 31st March, 2024 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 31st March, 2024 and the report of the Auditors thereon laid before this meeting, be and are hereby considered, approved and adopted".

3. **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".

4. **To appoint a Director in place of Mrs. Manjula Jhunjhunwala (DIN: 00192901), who retires by rotation and being eligible, offers her 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, Mrs. Manjula Jhunjhunwala (**DIN:** 00192901), 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".

By Order of the Board of Directors,
for Pakka Limited

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

Place: Ayodhya
Date: 10.08.2024

NOTES :

1. Ministry of Corporate Affairs ("MCA") vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, (**'MCA Circulars'**) has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

2. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended (**'Act'**) setting out material facts concerning the business are not applicable. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**'SEBI Listing Regulations'**) and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as **Annexure** to this Notice.

   In compliance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards on General Meeting and MCA Circulars, the 44th Annual General Meeting of the Company is being held through VC/ OAVM on Saturday, 28th September, 2024, at 09.00 a.m. (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company situated at 312, Plaza Kalpana Society, 24/147, B-49, Birhana Road, Kanpur, Uttar Pradesh - 208001, India.

3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, 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 THE AGM ARE NOT ANNEXED TO THIS NOTICE.

4. Corporates/Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM and to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at amitguptacs@gmail.com with a copy marked to evoting@nsdl.com and investor@pakka.com. Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-voting" tab in their login.

5. 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.

6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.

7. In accordance with the aforesaid MCA Circulars and the Circular Nos. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/ HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 issued by Securities Exchange Board of India (collectively referred to as **"SEBI Circulars"**), the Notice of the AGM along with the Integrated Annual Report for FY 2023-24 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. The Company shall send the physical copy of Integrated Annual Report FY 2023-24 to those Members who request the same at investor@pakka.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 44th AGM along with the Integrated Annual Report FY 2023-24 will also be available on the website of the Company at www.pakka.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia. com and www.nseindia. com respectively.

8. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_ IAD-1/P/CIR/2023/145

dated July 31, 2023 (updated as on August11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for the resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through the existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website www.pakka.com.

9. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 05, 2020, there is no matter of Special Business appearing in the accompanying Notice, considered to be unavoidable by the Board and hence, forming part of this Notice.

10. 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 Meeting by following the procedure mentioned in the Notice. Pursuant to Regulation 44(6) of SEBI Listing Regulations, the Company is also providing a live webcast of the proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-voting website at 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. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of a first come first served basis.

11. The Notice convening the AGM has been uploaded on the website of the Company at www.pakka.com and can also be accessed from the relevant section of the websites of the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

12. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023 has mandated that with effect from April 01, 2024 dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC complaint i.e. the details of PAN, choice of nomination, contact details, mobile no. complete bank details and specimen signatures are registered.

In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

13. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 01, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, valid PAN linked to Aadhar, and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company.

Resident Individual Shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form no 15 G/H to avail the benefit of non-deduction of tax at source by sending the forms on email to admin@skylinerta.com to enable the Company to determine the appropriate TDS/ withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please visit the website of the Company at https://www.pakka.com and also refer to the email being sent to members in this regard on May 03, 2024.

Shareholders are requested to note that if the PAN is not correct/ invalid/ inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income-tax Act, as applicable and incase of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to investor@pakka.com.

14. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

15. In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Further, SEBI had fixed March 31, 2021, as the cut- off date for the re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode.

16. The requests for effecting transmission/transposition of securities shall be processed in the dematerialized form. In order to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Skyline Financial Services Private Limited ("Registrar" or "RTA") at admin@skylinerta.com for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on the RTA's website https://www.skylinerta.com.

17. Members may please note that SEBI vide its Circular No. SEBI/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized 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 website of the Company's RTA, Skyline Financial Services Private Limited at https://skylinerta.com/ It may be noted that any service request received by member can be processed by RTA/the Company only after the folio is KYC Compliant.

18. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may write to the Company/ RTA for advising the procedure for Claiming the shares / dividend from IEPF Authorities. On the shareholder/ Claimant compiling with the procedure advised and submitting the required documents, the Company shall issue Entitlement Letter. The Members can submit the Entitlement Letter along with Form IEPF5 and other required documents as mentioned at www. iepf.gov.in and claim their shares from IEPF Authority. For details, please refer to the corporate governance report which is a part of this Annual Report and the investor page on the Company's website https://www.pakka.com. 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
iv.	March 31, 2022	October 31, 2029
v.	March 31, 2023	October 31, 2030

19. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self- attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

20. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or

would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at https://www.skylinerta.com. 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 share are held in physical form, quoting their folio no.

21. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in Form No. ISR- 1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

22. 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 and self- attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.

23. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investor@pakka.com latest by **Saturday, 21st September, 2024 (upto 3.00 p.m.).**

    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 not to leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

24. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

25. Process for those members whose e-mail ids are not registered with the Depositories/the Company for procuring user id and password and registration of e-mail ids for e-voting for the resolution set out in this AGM Notice:

    a. **Registration of email addresses with Skyline Financial Services Private Limited:** The Company has made special arrangements with Skyline Financial Services Private Limited and NSDL for the registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to Skyline Financial Services Private Limited on email id admin@skylinerta.com on or before 5.00 p.m. IST on **Friday, 6th September, 2024**.

        i. The system will then confirm the e-mail address for receiving this Annual general meeting Notice.

        ii. After the successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice with the e-voting user ID and password. In case of any queries, Members may write to info@skylinerta.com or evoting@nsdl.com

    b. **Registration of e-mail address permanently with Company/DP :** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the Form ISR1 duly filled and signed by the holders Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/ updated with their DPs / Skyline Financial Services Private Limited to enable servicing of notices/documents/ Annual Reports and other communications electronically to their e-mail address in the future.

26. **Alternatively, Members may send a request to evoting@nsdl.com to procure user id and password for e-voting by providing a Demat account number / Folio number and a scanned copy of the Share Certificate (front and Back) or client master, or copy of the Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).**

    The Individual Shareholders holding securities in Demat mode are requested to follow the steps mentioned below in Para 38 under Step 1 (A) i.e "Login method for remote e-voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.

In terms of the SEBI circular dated December 09, 2020, on the e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account to access the e-voting facility.

27. According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

28. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of **Saturday, 21st September, 2024** may cast their vote by remote e-voting. The remote e-voting period commences on **Wednesday, 25th September, 2024, at 9:00 a.m. (IST) and ends on Friday, 27th September, 2024, at 5:00 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. The voting rights of the Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the cut-off date of **Saturday, 21st September, 2024.** Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. **Saturday, 28th September, 2024**. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl. com or the Company's website www.pakka.com

29. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have 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 resolutions for which the Member has already cast the vote through remote e-voting.

30. A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. **Saturday, 21st September, 2024**, shall be entitled to avail of the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non- individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Saturday, 21st September, 2024**, may obtain the User ID and password by sending a request along with the requisite documents as mentioned in para 21 above, at evoting@nsdl.com

31. The Members who are present during the AGM through VC/OAVM and have not cast their votes through remote e-voting, would be allowed to cast their vote during the AGM through e-voting.

32. The Board of Directors has appointed Mr. Amit Gupta, Practicing Company Secretary (Membership No. FCS 5478 & CP No. 4682) as the Scrutinizer to scrutinize the remote e-voting process before the AGM as well as e-voting process during the AGM fairly and transparently.

33. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (i.e. votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized by him in writing, who shall countersign the same. The results will be announced not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be forwarded to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The results along with the Scrutinizer's Report shall also be placed on the website of NSDL and will also be displayed on the Company's website at https://www.pakka.com.

    Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before Saturday, 21st August, 2024 through e-mail on investor@pakka.com. The same will be replied by the Company suitably.

34. Members who would like to express their views/ ask questions as a speaker at the Meeting may pre- register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN, and mobile number at investor@pakka.com between Saturday, 21st September, 2024 (9.00 a.m. IST) and Thursday, 26th September, 2024 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker on the dedicated email id investor@pakka.com will be allowed to express their views/ask questions during the AGM.

    When a pre-registered speaker is invited to speak at the meeting, but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good Internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

35. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER :

    The remote e-voting period begins on Wednesday, 26th September, 2024, at 9:00 a.m. (IST) and ends on Friday, 28th September, 2024, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Saturday, 21st September, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date i.e., Saturday, 21st September, 2024.

The details of the process and manner for remote e-voting are explained herein below: Process to vote electronically using NSDL e-Voting system:

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

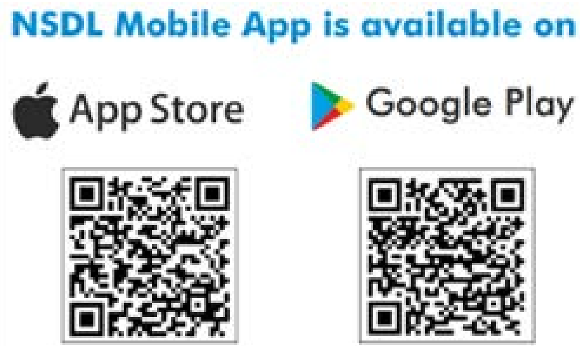
Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider** 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. iv. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned 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 type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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.

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.

iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Helpdesk details
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v) Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user 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.

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

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

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

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com 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.

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

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

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

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

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

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

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

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

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

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

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

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

General Guidelines for shareholders

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

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Kaushal Kumar at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@pakka.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@pakka.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore

recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@pakka.com. The same will be replied by the company suitably.

36. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

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

a. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
b. Members are encouraged to join the Meeting through Laptops for better experience.
c. Members who need assistance before or during the meeting, can contact NSDL on evoting@nsdl.com or contact at 022-4886 7000
d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

By Order of the Board of Directors,
for Pakka Limited

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

Place: Ayodhya
Date: 10.08.2024

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 FOURTH ANNUAL GENERAL MEETING ARE GIVEN BELOW :

Sr. No.	Particulars	Mr. Jagdeep Hira	Mrs. Manjula Jhunjhunwala
1.	Category / Designation	Managing Director	Non-Executive Director, Promoter
2.	Director Identification Number (DIN)	07639849	00192901
3.	Age	52 years	72 years
4.	Date of Birth	17-01-1972	19.03.1952
5.	Original Date of Appointment	22-10-2016	17.06.1981
6.	Qualifications	Bachelor of Engineering	B.A. (Hons.), B.Ed.
7.	Occupation	Service	Educationist
8.	Directorship in other Companies*	-	1. Yash Agro Products Limited 2. Pakka Impact Limited
9.	Chairmanship / Membership of Committees in other Companies*	NIL	N.A.
10.	Number of Equity Shares held in the Company	NIL	5,56,743 equity shares
11.	Number of Equity Shares held directly in the Company or 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	1. Mr. Ved Krishna 2. Mrs. Kimberly Ann McArthur
13.	Terms and conditions of appointment or re-appointment	Appointed as Managing Director for 3 years on retire by rotational basis.	Appointed as Direct retire by rotation.
14.	Remuneration last draw (in FY 2023-24), if applicable	₹247.89 Lakhs	₹13.96 Lakhs
15.	Remuneration proposed to be paid	As per Special Resolution passed in the 43rd AGM held on 29th September, 2023.	Mrs. Manjula Jhunjhunwala is a Non-Executive Director of the Company and is paid sitting fees ₹50,000/- for attending each meeting of Board, ₹30,000/- for Committee of Board and pension of ₹1,00,000/- per month currently or as approved by the Board of Directors from time to time.

Sr. No.	Particulars	Mr. Jagdeep Hira	Mrs. Manjula Jhunjhunwala
16.	Number of Meetings of the Board attended during the year	7	3
17.	Justification for choosing the appointees for appointment / re-appointment as Independent Director	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 her extensive knowledge, experiences and long-term association that would be in the best interest of the Company and will continue to provide relevant skill set.
18.	Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	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.	Mrs. Manjula Jhunjhunwala is our founder Director. As our founder Mr. K. K. 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. Mrs. Manjula 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.

By Order of the Board of Directors,
for Pakka Limited

Place: Ayodhya
Date: 10.08.2024

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

Directors' Report

Dear members

The Board of Directors is delighted to present the 43rd Annual Report on the business and operations of Pakka Limited ("the Company") along with the summary of standalone and consolidated financial statements for the year ended March 31, 2024.

In compliance with the applicable provisions of the Companies Act, 2013, ("the Act"). the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Directors' Report is prepared based on the standalone and consolidated financial statements of the Company for the year under review and also present the key highlights of performance of subsidiaries, joint ventures, and associate companies and their contribution to the overall performance of the Company for the year under review.

1. Financial Results:

Key highlights of consolidated and standalone financial performance for the year ended March 31, 2024, are summarized as under: (₹ In Lakhs)

	Particulars	Standalone		Consolidated	
		For the year ended March 31		For the year ended March 31	
		2024	2023	2024	2023
I.	Revenue from operations	40,474.29	40,830.82	40,474.29	40,830.82
II.	Other income	998.27	1,158.47	862.98	1,160.29
III.	**Total Income**	**41,472.56**	**41,989.29**	**41,337.27**	**41,991.11**
IV.	**Expenses**				
	Cost of materials consumed	15,580.23	15,402.18	15,585.08	15,402.18
	Purchase of stock-in-trade	484.59	578.25	484.59	578.25
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,173.21)	219.81	(1,173.21)	219.81
	Employee benefits expenses	4,457.54	4,236.45	4,713.60	4,454.68
	Finance costs	896.80	1,112.91	904.74	1,126.28
	Depreciation and amortization expenses	1,395.40	1,272.79	1,403.81	1,274.65
	Other expenses	12,567.09	11,935.73	12,681.17	12,242.73
	Total Expenses (IV)	**34,208.44**	**34,758.12**	**34,599.78**	**35,298.58**
V.	**Profit before Tax (III – IV)**	**7,264.12**	**7,231.17**	**6,737.49**	**6,692.53**

Key highlights of consolidated and standalone financial performance for the year ended March 31, 2024, are summarized as under: (₹ In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2024	2023	2024	2023
VI. Tax expense:				
1. Current tax	2,295.40	1,434.61	2,295.40	1,434.61
2. Deferred tax	99.43	650.32	99.43	650.32
3. Tax adjustments relating to earlier years	2.36	0.00	2.36	-
VII. Profit for the period (V – VI)	**4,866.93**	**5,146.24**	**4,340.30**	**4,607.60**
VIII. Other comprehensive income				
(i) Items that will not be reclassified to profit or loss Re-measurements of the defined benefit plans	(43.48)	(38.13)	(43.48)	(38.13)
(ii) Income tax related to items that will not be reclassified to profit or loss	12.66	11.10	12.66	11.10
(iii) Foreign Currency Transition Reserve	-	-	-6.19	8.67
(iv) Non-Controlling Interest-Pakka Impact Ltd	-	-	-	3.31
Sub Total	**(30.82)**	**(27.03)**	**(37.010**	**(18.36)**
IX. Total comprehensive income for the period (VII – VIII)	**4,836.11**	**5,119.21**	**4,303.29**	**4,589.24**
X. Earnings per equity share				
1. Basic	12.57	13.51	11.21	12.10
2. Diluted	12.49	13.45	11.14	12.04

2. PERFORMANCE REVIEW

2.1 CONSOLIDATED

The Operative Revenue stood at ₹40,474.29 lakhs in FY24 compared to ₹40,830.82 lakhs in FY23 on a consolidated basis. Operative Revenue decreased by 0.87% in comparison to the last financial year. The Consolidated Profit after tax in FY24 was at ₹4,340.30 lakhs compared to ₹4,607.60 lakhs in FY23. The consolidated profit after tax decreased by 5.80%.

2.2 STANDALONE

The Operative Revenue stood at ₹40,474.29 lakhs in FY24 compared to ₹40,830.82 lakhs in FY23 on a standalone basis. Operative Revenue decreased by 0.87% in comparison to the last financial year. The Standalone Profit after tax in FY23 was at ₹4,866.93 lakhs compared to ₹5,146.24 lakhs in FY23. The standalone profit after tax decreased by 5.43%.

2.3 PRODUCTION AND SALES

Your Company has reported following production and sales:

Name of Products	Unit of Measurement	Productions		Sales	
		Current Year 31.03.2024	Previous Year 31.03.2023	Current Year 31.03.2024	Previous Year 31.03.2023
Kraft Paper	MT	23,458	22,384	23,000	22,332
Poster Paper	MT	17,846	17,384	17,265	17,308
Total Paper	**MT**	**41,304**	**39,768**	**40,265**	**39,631**
Pulp	MT	10,537	10,134	9,911	9,710
Moulded (Tableware) Products	MT	2,588	2,018	2,149	2,327
Pith Pallet	MT	5,684	6,295	5,704	5,096
Egg Tray	Pieces in Lakhs	165.72	140.38	168.67	132.85

2.4 ANNUAL PERFORMANCE

Details of your Company's annual performance is published on the Company's website and presented during the Investors Conference Call. The same can be accessed under the Investors Meet tab in the Investor Section of the website of the Company: www.pakka.com.

3. DIVIDEND

The Board of Directors in its meeting held on 30th May, 2024 has decided to retain funds for major capacity expansion both domestically and internationally, hence decided not to recommend any Dividend.

4. TRANSFER TO RESERVES

As per Standalone financials, the net movement in the reserves of the Company for FY24 and FY23 is as follows:-

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve	37.32	37.32
Securities Premium	2,374.53	1,172.16
Employees Share Base Payment Reserve	140.24	227.15
General Reserve	550.00	550.00
Retained Earnings	19,619.31	15,692.41
Other Comprehensive Income	(169.42)	(138.60)
Total	**22,551.98**	**17,540.44**

5. SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

We, along with our subsidiaries, provide manufacturing, consulting, technology, outsourcing and marketing services. We had 3 wholly owned subsidiaries i.e., Pakka Inc, an USA-based Company, Pakka Pte Ltd, a Singapore based subsidiary company and Pakka Impact Limited, an India based subsidiary company.

The Company earlier had 97.50% holding in Pakka Impact Limited. Pakka Impact Limited become wholly owned subsidiary by the resolution passed by the Board of Directors on 21st October, 2023 by acquiring the balance 50,000 equity shares i.e. 2.50% of total share capital of Pakka Impact Limited. The financial transactions of the said subsidiaries during the year are included in the Consolidated Financial Statements of the Company.

6. CONSOLIDATED FINANCIAL STATEMENTS

According to Section 129(3) of the Act, the consolidated financial statements of the Company and its subsidiaries, joint ventures, and associates are prepared in accordance with the relevant Indian Accounting Standard specified under the Act, and the rules thereunder form part of this Annual Report. A statement containing the salient features of the financial statements of the Company's subsidiaries, joint ventures, and associates in Form No. AOC-1 forming part of this Directors' Report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries, are available on the Company's website and can be assessed at https://www.pakka.com/investors. The details of the business of subsidiaries, associates, and joint ventures during FY2024 are given on the website of the Company.

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.pakka.com.

7. SHARE CAPITAL

The authorized share capital of the Company was ₹6,005 lakhs divided into 5605 lakhs equity shares of ₹10 each and 4 lakhs preference share capital of ₹100 each as on 31st March, 2024.

The paid up Equity Share Capital of the Company as on 31st March, 2024 was ₹3916.81 lakhs. The paid-up share capital further increased to ₹3941.98 lakhs on 27th June, 2024 on allotment of 2,51,700 Equity Shares of Face Value of ₹10/- each of Pakka to 101 Team Members under 'Yash Team Stock Option Plan, 2021'. The paid-up Equity Share Capital of the Company is ₹3941.98 lakhs on 10th August, 2024 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 2023-24 and 2024-25 to BSE Limited and National Stock Exchange of India Limited, where its equity shares are listed.

8. YASH TEAM STOCK OPTION PLAN - 2021 (TSOP) DISCLOSURE

Your Company has approved Yash Team Stock Option Plan - 2019 (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 31st October, 2020, which was not implemented.

The Members of the Company in the Extra Ordinary General Meeting held on 6th May, 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 paisa Only) per Share.

Thereafter, the Nomination and Remuneration Committee (Compensation Committee) of the Board of Directors of the Company ("NRC") in its meeting held on 2nd September, 2023 has allotted 10,89,600 equity shares and on 27th June, 2024 has allotted 2,51,700 equity shares under 'Yash Team Stock Option Plan – 2021'.

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.pakka.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 - B'** forming part of this Directors' Report.

9. HUMAN RESOURCE DEVELOPMENT

Our Team Members are our most important assets. We are committed to hiring and retaining the best talent and being among the industry's leading employers. For this, we focus on promoting a collaborative, transparent and participative organization culture, and rewarding merit and sustained high performance. Our human resources management focuses on allowing our Team Members to develop their skills, grow in their career and navigate their next.

10. CREDIT RATING

The Company has given a mandate to Care Ratings Ltd. to rate its long-term and short-term debts. The Care Ratings Ltd. has issued its credit rating letter on 7th March, 2024 as details below:

Facilities/Instruments	Amount (₹ Crore)	Rating
Long Term Bank Facilities	445.53 (Reduced from 454.83)	CARE BBB (RWD)
Short Term Bank Facilities	23.41	CARE A3+ (RWD)

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANIAL YEAR AND DATE OF THE REPORT

There have been no material changes or commitments that have affected the financial position of the Company that between the close of FY 2024 and the date of this report.

12. 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

During the year under review, there were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

13. SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND PAKKA IMPACT LIMITED

In line with the clutter-free business philosophy, the Board of Directors in its meeting held on 27th March, 2024 has considered and instructed to prepare a scheme of Merger of Pakka Impact Limited (CIN: U74110UP2014PLC062982), a wholly owned subsidiary company into Pakka Limited (CIN: L24231UP1981PLC005294) in terms of the provisions of Section 230-232 of the Companies Act, 2013 and place it before the Audit Committee and Board for their approval. The Board has also considered other related matters with regard to the appointment of Merchant Bankers, Registered Valuers, Lawyers etc.

14. DEPOSITS

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest on deposits from the public was outstanding as on 31st March, 2024.

15. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has comprehensive internal control mechanism and also has in place adequate policies and procedures for the governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention, and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business, and the size and complexity of its operations and such internal financial controls concerning the Financial Statements are adequate.

Your Company has appointed Thornton Bharat LLP 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 them. 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.

16. CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, a separate section on the Corporate Governance Report, forms an integral part of the Integrated Annual Report. A certificate from the Practicing Company Secretary confirming compliance with corporate governance norms, as stipulated under the Listing Regulations, is annexed to the Corporate Governance Report.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company's vigil mechanism allows the directors and employees to report their concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct /business ethics as well as to report any instance of leak of Unpublished Price Sensitive Information. The vigil mechanism provides for adequate safeguards against victimization of the Director(s) and employee(s) who avail of this mechanism. No person has been denied access to the Chairman of the Audit Committee.

The Whistle-Blower Policy of the Company can be accessed on the Company's website under Policy tab at the link: https://www.pakka.com/investors.

18. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company https://www.pakka.com/investors.

The Company has complied with provisions relating to the constitution of Internal Committee (IC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company have setup ICs to redress complaints on sexual harassment.

During the year under review, no complaint relating to sexual harassment is received and no compliant is pending.

19. 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.

20. SECRETARIAL STANDARDS:

Section 118 of the Act mandates compliance with the Secretarial Standards on board meetings and general meetings issued by The Institute of Company Secretaries of India. During the year under review, the Company has complied with all the applicable Secretarial Standards.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees, and investments covered under the provisions of Section 186 of the Act have been disclosed in the financial statements.

22. RELATED PARTY TRANSACTION

The Company has a well-defined process of identification of related parties and transactions with related parties, its approval and review process. The Policy on Related Party Transactions as formulated by the Audit Committee and the Board is hosted on the Company's website and can be assessed at under Policy tab at www.pakka.com/investors. As required under Regulation 23 of the Listing Regulations, the Audit Committee has defined the material modification and has been included in the said Policy.

All contracts, arrangements and transactions entered by the Company with related parties during FY 2024 (including any material modification thereof), were in the ordinary course of business and on an arm's length basis and were carried out with prior approval of the Audit Committee. All related party transactions that were approved by the Audit Committee were periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

None of the contracts, arrangements and transactions with related parties, required approval of the Board/ Shareholders under Section 188(1) of the Act and Regulation 23(4) of the Listing Regulations.

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the FY 2024 and hence the same is not provided. The details of the transactions with related parties during FY 2024 are provided in the accompanying financial statements.

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is a strong believer in the Pakka Group philosophy of giving back to the community and acknowledging the role played by communities in the growth of our business. The Company stands for 'For Better Living' which embeds actions towards For Better Communities, For Better Sourcing and For Better Planet.

CSR activities, projects, and programs undertaken by the Company are in accordance with Section 135 of the Act and the rules made thereunder. Such CSR activities exclude activities undertaken in pursuance of its normal course of business. During the year under review, the CSR initiatives of the Company focused on women education. Such CSR projects undertaken by the Company contribute to Sustainable Development Goals (SDGs).

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.pakka.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 ₹101.57/- Lakhs for its CSR activities during the financial 2023-24.

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 - C'** forming part of this Directors' Report.

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

24. BOARD OF DIRECTORS:

The Board of the Company is comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's businesses for effective functioning. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report.

In the opinion of the Board, all the directors, as well as the directors appointed / re-appointed during the year possess the requisite qualifications, experience and expertise and hold high standards of integrity.

Criteria for determining qualification, positive attributes and independence of a director is given in the NRC Policy, which can be accessed on Company's website under Policy tab at https://www.pakka.com/investors.

25. BOARD GOVERNANCE

The Nomination and Remuneration Committee ("NRC") of the Board is entrusted with the responsibility for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition, and compliance requirements.

26. CHANGES IN DIRECTORS

Appointment / Re-appointment of Directors during FY 2023-24

The Members of the Company at 43rd Annual General Meeting held on 29th September, 2023, approved the re-appointment of Mr. Jagdeep Hira (**DIN** - 07639849) as Managing Director of the Company with effect from 21st July, 2023 for a period of 5 years.

Further at the 43rd Annual General Meeting of the Company held on 29th September, 2023, the Members approved the re-appointment of Mrs. Kimberly Ann McArthur (**DIN:** 05206436) who retired by rotation and being eligible for appointment has been reappointed as Non-Executive Director of the Company.

Mr. Shubham Ashok Tibrewal (**DIN:** 10274024) was appointed as an Additional Director (Independent) in the Board Meeting held on 12th August, 2023 and regularized as an Independent Director in the Annual General Meeting held on 29th September, 2023.

Mr. Rahul Krantikumar Dharmadhikary (**DIN:** 02116207) was appointed as an Additional Director (Independent) in the Board Meeting held on 5th September, 2023 and regularized as an Independent Director in the Annual General Meeting held on 29th September, 2023.

Further, Mr. Gautam Ghosh (**DIN:** 10371300) was appointed as an Additional Director (Executive Director) of the Company in the Board Meeting held on 24th November, 2023 and regularized as a Director (Executive & Non-Independent) of the Company in the Extra-Ordinary General Meeting held on 22nd February, 2024.

Re-appointment of Directors retiring by rotation

In terms of the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Jagdeep Hira (**DIN:** 07639849), Managing Director and Mrs. Manjula Jhunjhunwala (**DIN:** 00192901), Non-Independent Director (Promoter) of the Company, retires by rotation is eligible for re-appointment. Members' approval is being sought at the ensuing AGM for their re-appointment.

The profile along with other details of Mr. Jagdeep Hira and Mrs. Manjula Jhunjhunwala are provided in the annexure to the Notice of the Annual General Meeting.

Pecuniary relationship or transactions with the Company

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee(s) of the Company.

Independent Directors

Mr. Pradeep Vasant Dhobale, Mr. Basant Kumar Khaitan, Mr. Alok Ranjan, Mr. Rahul Krantikumar Dharmadhikary, Mr. Shubham Ashok Tibrewal and Mrs. Anna Kay Warrington are Independent Directors on the Board.

All the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations and they continue to comply with the Code of Conduct laid down under Schedule IV of the Act. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Directors have further confirmed that they are not debarred from holding the office of the director under any SEBI order or any other such authority.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors and complied with the requirements of passing proficiency test, as applicable.

27. 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.pakka.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.

28. KEY MANAGERIAL PERSONNEL

As on 31st March, 2024, the following are Key Managerial Personnel ("KMPs") of the Company as per Sections 2(51) and 203 of the Act:

a) Mr. Jagdeep Hira, Managing Director,

b) Mr. Gautam Ghosh, Executive Director & Occupier,

c) Mrs. Neetika Suryawanshi, Chief Financial Officer,

d) Mr. Sachin Kumar Srivastava, Company Secretary & Legal Head,

Mr. Gautam Ghosh (**DIN:** 10371300) was appointed as an Additional Director (Executive Director) of the Company in the Board Meeting held on 24th November, 2023 and regularized as a Director (Executive & Non-Independent) of the Company in the Extra-Ordinary General Meeting held on 22nd February, 2024.

29. BOARD AND COMMITTEES OF THE BOARD

Board Meetings

The Board meets at regular intervals to discuss and decide on the Company's/ business policy and strategy apart from other Board business. The Board exhibits strong operational oversight with regular presentations in quarterly meetings. The Board/Committee meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the meetings. Only in case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board / Committee meetings at a shorter notice, in accordance with the applicable law.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

The Board of Directors held 8 (eight) meetings during FY 2023-24, details thereof have been provided in the Corporate Governance Report. The intervening gap between the meetings was not more than 120 days as required under the Act and the Listing Regulations.

Committees of the Board

As required under the Act and the Listing Regulations, the Company has constituted the following statutory committees:

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

Details of all the Committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, a part of this Annual Report.

In addition to the above, the Board has formed a Banking & Finance Committee to review specific financial & business operational matters and other items that the Board may decide to delegate.

The Board, from time to time, based on necessity, has delegated certain operational power to committees of directors formed for specific purposes like investment, matters relating to Banking etc.

30. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors carried out an annual evaluation of its own performance, Board Committees, and Individual Directors in accordance with the Act, Listing Regulations, and Governance Guidelines. The Nomination and Remuneration Committee led an internal evaluation process to assess the performance of the Board, its committees, and individual directors.

The performance of Individual Directors was reviewed by the Board and the NRC, with criteria such as preparedness, constructive contributions, and input in meetings. Non-Independent Directors, the Board as a whole, and the Chairman of the Company were evaluated at a separate meeting of Independent Directors. The evaluation results were discussed at the Board meeting, where an action plan was agreed upon.

The Company also acted on feedback received from the previous year's evaluation process. For more details on the Board Evaluation Process, please refer the "Board Evaluation" section of the Corporate Governance Report.

31. 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.pakka.com.

32. 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 Non-Executive Directors which includes the 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.pakka.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.

33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, a separate section on Management Discussion and Analysis Report which also covers the consolidated operations reflecting the global nature of our business forms an integral part of the Integrated Annual Report.

34. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the FY2024.

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended 31st March, 2024:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period:

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:

iv. They have prepared the annual accounts on a 'going concern basis':

v. They have laid down internal financial controls for the Company which are adequate and are operating effectively;

vi. They have devised a proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

35. AUDITORS

35.1 STATUTORY AUDITORS AND AUDITORS' REPORT

Based on the recommendation of the Audit Committee and the Board of Directors, Members of the Company at the 42nd Annual General Meeting held on 30th October, 2022, appointed CNK & Associates LLP, Chartered Accountants (ICAI Firm Registration Number 101961W/W-100036) as the Statutory Auditors for the second term of 5 (five) years commencing from the conclusion of the 42nd Annual General Meeting until the conclusion of the 47th Annual General Meeting to be held in the year 2027. The Members also approved the remuneration payable to CNK & Associates LLP and authorized the Board to finalize the terms and conditions of re- appointment, including remuneration of the Statutory Auditor for the remaining period, based on the recommendation of the Audit Committee.

The Statutory Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

35.2 SECRETARIAL AUDITORS AND AUDITORS' REPORT

According to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Amit Gupta, Company Secretary in Practice (FCS No. F5478, Certificate of Practice No. 4682), to carry out the Secretarial Audit of the Company.

The Report of the Secretarial Auditor for FY 2023-24 is attached herewith as **Annexure D** forming part of this Directors' Report. There are no qualifications, observations or adverse remarks or disclaimers in the said report.

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

35.3 INTERNAL AUDITORS

The Board of Directors of the Company in its meeting held on 29th April, 2023 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 31st March, 2024.

The Board of Directors in its meeting held on 30th May, 2024 has appointed Grant Thornton Bharat LLP as Internal Auditor of the Company for the financial year ending on 31st March, 2025.

35.4 COST AUDITORS

As per the requirements of 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.

36. 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.

37. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the conservation of energy, technology absorption, and foreign exchange earnings and outgo according to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure E** attached to this report.

38. EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended 31st March, 2024, is available on the Company's website and can be accessed under Annual Return Tab at https://www.pakka.com/investors. In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies, with prescribed timelines.

39. 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 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Directors / KMP	Remuneration of the Director / KMP in F.Y.2023-24 (₹ in Lakhs)	Remuneration of the Director / KMP in F.Y.2022-23 (₹ in Lakhs)	% Increase in F.Y.2023-24 (₹ in Lakhs)	Ratio (times) of the remuneration of each director to the median remuneration of the employees
Mr. Ved Krishna, Vice-Chairman	-	2.67	-*	-
Mr. Jagdeep Hira, Managing Director (KMP)	247.89	246.76	0.00%	48.34
Mr. Narendra Kumar Agrawal, Director Works	-	20.41	-*	N.A.
Mrs. Neetika Suryawanshi, Chief Financial Officer (KMP)*	89.78	21.31	3.21%*	17.50
Mr. Sachin Kumar Srivastava, Company Secretary and Legal Head (KMP)*	31.98	19.49	0.64%*	6.24
Mr. Gautam Ghosh, Executive Director	7.54	-	-*	1.47
Ms. Bhavna Patel, Company Secretary & Compliance Officer (KMP)	-	6.79	-	N.A.
Mr. Jignesh Shah, Chief Financial Officer (KMP)	-	48.83	-	N.A.

*The remuneration are not compareble due to resigned/ worked for part of the financial year only.

ii. The median remuneration of employees of the Company during the FY24 was ₹5,12,761/- in comparison to ₹4,52,921/- during the FY23.

iii. In the financial year, there was an increase of 13.21% in the median remuneration of employees;

iv. There were 508 permanent employees on the rolls of the Company during the FY24 in comparison to 464 permanent employees on the rolls of the Company during FY23.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in FY24 was 25.77 % whereas the increase in the managerial remuneration for the same financial year was 40.16%. The figures for 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. Except, Mr. Jagdeep Hira, Managing Director, no other 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 31st March, 2024:**

Sl. No.	Name & Age	Qualification	Designation	Date of Joining	No. and % of equity shares held	Remuneration	Previous employment
1	Mr. Jagdeep Hira (52 Years, 5 Months)	Bachelor of Engineering Technology	Managing Director	10/10/2016	Nil	24776180	Trident Group Limited
2	Mr. Thomas James (42 Years, 10 Months)	B.E. & M.B.A	Operations Head	03/11/2022	Nil	9006425	MRF Tyre
3	Mrs. Neetika Suryawanshi (43 Years, 11 Months)	C.A.	Chief Financial Officer	06/01/2023	Nil	8978334	Plantix Agritech India(P) Ltd.
4	Mr. Satish Chamyvelumani (47 Years, 6 Months)	M.B.A. & Master of Science (M.S.), Manufacturing Engineering	Business Head – Compostable	01/02/2022	Nil	7502474	Frshly
5	Mr. Narendra Kumar Agrawal (53 Years, 4 Months)	Bachelor of Engineering	Engineering Head	15/12/2011	29500	6642316	Century Paper and Pulp
6	Mr. Manoj Kumar Maurya (50 Years, 1 month)	M.Com	Commercial Head	01/09/1998	Nil	4865414	-
7	Mr. Vivek Pandey (40 Years, 6 Months)	B. Tech & M.B.A.	Digital Transformation Head	20/09/2022	Nil	3824966	NISG
8	Ms. Navina John (45 Years, 4 Months)	Master in Human Resource Management	Admin & IR Head	17/05/2018	5,000	4115474	Muthoot Finance Ltd.

Sl. No.	Name & Age	Qualification	Designation	Date of Joining	No. and % of equity shares held	Remuneration	Previous employment
9	Mr. Sachin Kumar Srivastava (39 years, 4 Months)	CS, Cost Accountant, LLB, M.B.A., P.G.D.C.A, M.COM	Company Secretary & Legal Head	15/05/2006	50	3198401	-
10	Mr. Pranay Pasricha (33 Years, 4 Months)	B.Tech & MBA	Brand Head	10/01/2022	Nil	3259918	Bajaj Auto Ltd.

xi. No employee of the Company receives remuneration for part of the financial year more than the amount drawn by the Managing Director. No one was employed throughout the financial year or part thereof receiving remuneration more than the amount drawn by the Managing Director.

40. 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.

41. 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").

42. INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments.

43. 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.

44. ACKNOWLEDGEMENTS

The Directors wish to convey their deep appreciation to all the employees, customers, vendors, investors, and consultants/advisors of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors thank the Government of India, Governments of various States in India, Governments of various Countries, and concerned Government departments for their co-operation.

The Directors appreciate and value the contribution made by every member, employee, and their family of the Pakka Group.

For and on Behalf of the Board

Place: Hyderabad
Date: 10th August, 2024

Pradeep Vasant Dhobale
Chairman
DIN: 00274636

Annexure - A

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 amount in ₹)

I. Pakka Impact Limited

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Pakka Impact Limited
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	Not Applicable
4.	Share capital	₹2,00,00,000.00
5.	Reserves & surplus	₹-4,93,49,000
6.	Total assets	₹711,16,995.45
7.	Total Liabilities	₹711,16,995.45
8.	Investments	-
9.	Turnover	₹68138
10.	Profit/(loss) before taxation	₹-17566992.93
11.	Provision for taxation	-
12.	Profit after taxation	₹-17566992.93
13.	Proposed Dividend	-
14.	% of shareholding	100%

II. Pakka Inc, an USA based Company

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 = ₹83.3739
4.	Share capital	₹3,76,01,000.00
5.	Reserves & surplus	₹-10,65,78,579.40
6.	Total assets	₹12,69,60,266.61
7.	Total Liabilities	₹12,69,60,267.00
8.	Investments	-
9.	Turnover	-
10.	Profit/(loss) before taxation	₹-4,24,55,376.00
11.	Provision for taxation	-
12.	Profit after taxation	₹-4,24,55,376.00
13.	Proposed Dividend	-
14.	% of shareholding	100%

III. Pakka Pte Ltd, a Singapore based Company

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Pakka Pte Ltd, a Singapore 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 SGD = ₹61.805
4.	Share capital	₹1,72,74,000
5.	Reserves & surplus	₹20,25,669.59
6.	Total assets	₹1,66,20,512
7.	Total Liabilities	₹1,66,20,512

Sl. No.	Particulars	Details
8.	Investments	-
9.	Turnover	
10.	Profit/(loss) before taxation	₹-814153
11.	Provision for taxation	-
12.	Profit after taxation	₹-814153
13.	Proposed Dividend	-
14.	% of shareholding	100%

For and on behalf of the Board

Jagdeep Hira
Managing Director
DIN: 07639849
Place: Ayodhya
Date: 10th August, 2024

Gautam Ghosh
Executive Director
DIN: 10371300
Place: Ayodhya
Date: 10th August, 2024

Neetika Suryawanshi
Chief Financial Officer
Place: Ayodhya
Date: 10th August, 2024

Sachin Kumar Srivastava
Company Secretary
Place: Ayodhya
Date: 10th August, 2024

Annexure - B

ESOP 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,
Pakka Limited,
(CIN -L24231UP1981PLC005294)
312, Plaza Kalpana Society,
24/147, B-49, Birhana Road,
Kanpur, Uttar Pradesh - 208001

Sub: Secretarial Auditor's Certificate for the Year ended March 31, 2024, in accordance with Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat equity) Regulations, 2021.

Dear Sir(s)

We have examined the records and documents maintained by Pakka Limited (formerly known as Yash Pakka Limited) ("the Company") and based on the information and explanations given to us and to the best of our knowledge and belied, We confirm that the following schemes of the Company for the year ended March 31, 2024 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 - F005478F000493174

Date: May 30, 2024
Place: Lucknow

Annexure - C

Report on Corporate Social Responsibility

1. Brief outline of the Corporate Social Responsibility (CSR) Policy of the Company

The Company strongly believes in the Pakka Group's philosophy of giving back to the community and recognizes the role played by communities in the growth of its business. The Company stands for "For Better Living," which includes actions towards For Better Communities, For Better Sourcing and For Better Planet.

The CSR Policy sets outs the Company's commitment and approach towards CSR under Section 135 of the Companies Act, 2013 ("the Act") based on its legacy of 'Giving Back to Society'. The Company endeavours to facilitate livelihood opportunities and socio-cultural development in areas of its operations.

The Company shall achieve this by being knowledgeable, responsive, and trustworthy, and by adopting environmentally and socially friendly technologies, business practices, and innovation while pursuing long-term growth aspirations and the enhancement of stakeholder value. The Company focuses on Climate Change, Water Management, Woman Education, Sustainable Sourcing, Waste Management and Community Development.

Towards community development, the Company undertakes programs focused on healthcare, education and skills, and rural development. The Company also actively participates in Pakka Group activities and programs for volunteering and affirmative action. The Company's CSR activities, projects, and programs comply with Section 135 of the Act and the rules made thereunder, excluding activities undertaken in pursuance of its normal course of business.

During the year under review, the Company's CSR initiatives focused on affordable healthcare, empowerment of differently able, rural development, and education and skilling.

2. Composition of the CSR Committee

In compliance with Section 135 of the Act, the Company has established a strong governance structure to supervise the execution of its CSR projects. The CSR governance structure is led by the Corporate Social Responsibility ("CSR Committee"), which empowers the working committee of the Company to act on its behalf. The following Directors served as members of the CSR Committee during the year ended March 31, 2024:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of the CSR Committee during the year	
			Held	Attended
1.	Mrs. Kimberly Ann McArthur	Chairperson of the Committee (Promoters' Group)	3	0
2.	Dr. Indroneel Banerjee*	Vice-Chairperson (Independent Director)	3	3
3.	Mr. Ved Krishna	Member (Promoter Director)	3	2
4.	Mrs. Manjula Jhunjhunwala	Member (Promoter Director)	3	3
5.	Mr. Basant Kumar Khaitan#	Member (Independent Director)	-	-

* The terms of Dr. Indroneel Banerjee, Independent Director was completed on 31st March, 2024.

#Mr. Basant Kumar Khaitan was appointed as a member of the Committee with effect from 13th June, 2024.

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 under Board of Directors and Policy tab on the website https://pakka.com/investors 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 provisions regarding Impact assessment of CSR projects carried out in pursuance to sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (In lakhs)	Amount required to be set off for the financial year, if any (In lakhs)
1.	2023-24	58.44	58.44

6. Average net profit of the Company as per Section 135(5): ₹5078.54 Lakhs.

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹101.57 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: 58.44 Lakhs
   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹43.13 Lakhs

8. (a) CSR amount spent or unspent for the financial year:
   The Company was required to spend an amount of ₹101.57 Lakhs as CSR expenditure during FY2024.

Total Amount Spent for the Financial Year (₹ in Lakhs.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per		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
58.50	NIL	-	-	NIL	-

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

Sl. No.	Name of the Project	Item from the list of activi- ties in sched- ule 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 trans- ferred to Unspent CSR Account for the project as per section 135(6) (in ₹) Not Applicable	Mode of Imple- men- tation Direct (Yes/ No)	
				State	District					Name	CSR reg- istration 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 Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Woman Education	(ii)	Yes	Uttar Pradesh	Ayodhya	58.50	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): **₹58.50 Lakhs.**

g. Excess amount for set off, if any: **N.A.**

Sl. No.	Particulars	Amount (₹ In Lakhs)
(i)	2% of average net profit of the company as per section 135(5)	101.57
	Amount available for set-off from preceding financial year 2022-23	58.44
	Amount required to be spent in the financial year 2023-24	43.13
(ii)	Total amount spent for the financial year	58.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15.37
(iv)	Surplus arising out of the CSR projects or programmes or activities.	NIL
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	15.37

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	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
				Name of the Fund	Amount (in ₹)	Date of Transfer	Years (in ₹)
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 two percent of the average net profit as per section 135(5) – Not Applicable

Mr. Jagdeep Hira
Managing Director
DIN: 07639849
Place: Ayodhya
Date: 10th August, 2024

Mrs. Kimberly Ann McArthur
Chairperson CSR Committee
DIN: 06404397
Place: USA
Date: 10th August, 2024

Annexure - D

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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,
Pakka Limited,
(CIN -L24231UP1981PLC005294)
312, Plaza Kalpana society,
24/147, B-49, 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 **Pakka Limited** (Formerly known as **Yash Pakka Limited**) (CIN - L24231UP1981PLC005294) (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in a manner that provided us with 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 the 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 2024 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 2024 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**;

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**"ICDR Regulations"**);

   c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**"Takeover Regulations"**);

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **("Buyback Regulations") - (Not applicable to the listed entity during the review period);**

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 **("SBEB Regulations");**

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 **("Non-convertible Securities Regulations") - (Not applicable to the listed entity during the review period);**

g) The Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **("Delisting Regulations") - Not applicable as the listed entity has not made any delisting during the year under report;**

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with clients - **Not applicable as the listed entity is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 **("DP Regulations");**

vi. The following other laws on account of the nature of the 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 and National Stock Exchange of India 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 to the agenda were sent at least seven days in advance (except in cases where a meeting was held at shorter notice or where members agreed to consider Agenda notes at shorter period) 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 ensure timely compliance with applicable laws, rules, regulations and guidelines.

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

(i) The equity shares of the Company have been listed on the main board of the National Stock Exchange of India Limited (NSE) and are available for trading from July 11, 2023, vide its Letter No. NSE/List/119 dated July 07, 2023.

(ii) The name of the Company has changed from Yash Pakka Limited to Pakka Limited in terms of the approval granted by the shareholders of the Company at their extraordinary general meeting held on July 05, 2023, and a fresh certificate of incorporation issued by the Registrar of Companies, Kanpur on July 06, 2023.

(iii) The Company has made an allotment of 10,89,600 equity shares on September 02, 2023, against 14,16,600 'YASH TEAM STOCK OPTION PLAN – 2021' ('TSOP'/ 'Plan') granted on July 07, 2022, at a price of ₹82.21 per equity share in terms of the TSOP approved by the shareholders of the Company in their extraordinary general meeting held on May 06, 2022. The Company has further granted 1,25,400 TSOP on September 02, 2023, at ₹118.13 per option of the Company to eligible employees in terms of TSOP.

(iv) The Board of Directors of the Company in its meeting held on March 27, 2024, has approved proposal for Merger by Absorption of Pakka Impact Limited ("PIL" or the "Transferor Company") and Pakka Limited ("PAKKA" or "Transferee Company") and their respective shareholders with appointed date of 01.04.2024, 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

(v) 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 has been disposed of vide order dated September 13, 2022, however the 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 the 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 Yash Pakka Limited Vs. U. P. Pollution Control Board & Others.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Practising Company Secretary
Membership No. : F5478
C.P. No. 4682
UDIN - F005478F000492888

Date: May 30, 2024
Place: Lucknow

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

To,
The Members,
Pakka Limited,
(CIN -L24231UP1981PLC005294)
312, Plaza Kalpana Society,
24/147, B-49, 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
Practising Company Secretary
Membership No. : F5478
C.P. No. 4682
UDIN - F005478F000492888

Date: May 30, 2024
Place: Lucknow

Annexure - E

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

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:

2. CONSERVATION OF ENERGY

(A) ENERGY CONSERVATION MEASURES TAKEN

I. Replaced 132 KW, 975 RPM motor of TDR by 110 KW,750 RPM.

II. Installed VFD on PP-2 Cooling tower fan 1&2.

III. Replaced FRP blades on chemical recovery evaporator cooling tower fan1&2.

IV. Installed VFD on Tableware pulper motor.

V. Downsized UTM agitator Pulper motor in PM-3

VI. Hood exhaust blower interlocked with MG Motor in PM-3

VII. Installed VFD on caustic pump in pulp mill.

VIII. Interlock done in hood blower 1&2 with felt vacuum in PM-2

IX. Back water pump motor size reduced from 7.5 KW to 2.2 KW in PM-2

X. Separator pit motor permanently stopped by vacuum pump sealing line modification in PM-2

XI. Johnson screen motor (2.2 KW) interlocked with pulper motor in PM-2

XII. Decker motor (2.2 KW) interlocked with Johnson screen motor in PM-2

XIII. Baggase tank, blending chest agitator interlocked with pumps in Tableware.

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

I. Possibility of reduction in the vacuum requirement by installing VFD on vacuum pump in re-causticizer plant.

II. Micro turbine for 65 to 14 kg/cm2 PRDS.

III. Installation of online oxygen analyzer and optimize excess air in boiler 5

IV. Replacement of PP-2 CWP with energy efficient pump and IE4 motor.

V. Installation of VFD on PP-1 Boiler feed pump no-2.

VI. PP-2 CT Fan motor to be replaced with direct drive motor.

VII. Installation of VFD on PM-2 hood blower 1 & 2.

VIII. PM-2 stock area old agitator to be replaced with energy efficient agitator.

(C) IMPACT OF THE MEASURES OF THE ABOVE

power saved = 110 KWh per hour

(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 31.03.2024	Previous Year 31.03.2023
(a) Electricity		
(i) Purchased Unit (lakhs)	88.97	37.53
Total Amount (₹ in lakhs)	749.50	322.57
Rate / Unit (₹)	8.42	8.59
(ii) Own generation		
Through Diesel Generator		
Unit (lakhs)	3.24	3.48
Unit per liter of Diesel Oil	3.15	3.10
Cost / Unit (₹)	25.82	29.56
Through Steam Turbine		
Unit (lakhs)	586.28	608.73
Unit per MT of fuel (Paddy husk)	1629.00	1367.00
Cost / Unit (₹)	3.78	4.40

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

Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
(a) Coal Quantity (MT)	Nil	Nil
(b) Furnace Oil Quantity (MT)	Nil	Nil
(i) Paddy Husk Quantity (MT)	81003.00	91559.00
Total Cost (₹ in lakhs)	4990.17	5504.77
Average Rate (₹ Per MT)	6160.00	6012.00
(ii) Baggase / Pith Quantity (MT)	19117.00	51173.00
Total Cost (₹ in lakhs)	432.44	1362.33
Average Rate (₹ Per MT)	2262.00	2662.00
(iii) Fire Wood Quantity (MT)	8748	4909
Total Cost (₹ In lakhs)	392.11	206.30
Average Rate (₹ Per MT)	4482	4203

II. CONSUMPTION PER UNIT OF PRODUCTION

a. Paper (Excluding Egg Tray & Pith Pallets)

Particulars	UOM	Current Year 31.03.2024	Previous Year 31.03.2023
Electricity	Units	1092	1073
Furnace Oil	MT	Nil	Nil
Coal	MT	Nil	Nil
Paddy Husk	MT	1.15	1.35
Baggase Pith	MT	1.25*	3.00*
Fire Wood	MT	1.10*	1.70*

*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 31.03.2024	Previous Year 31.03.2023
Electricity	Units	4302	5606

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

Since inception the Company has been using Biomass as a fuel for generating 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 FY23-24 is approximate ₹ 2320000/-

3. CONSERVATION OF ENERGY

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

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

R&D

I. Successfully ran the plant trial of black liquor Viscosity reduction in recovery.

II. Trials of back water colour reduction took place at PM 2.

III. Fiber loss saving from mould MPS.

IV. Continiously monitoring fiber loss of all areas in plant,

V. Development of alternate vender for all chemicals.

VI. Trials were performed for PFAS free OGR chemicals at tableware.

VII. Successfully analysis of Guatemala Bagasse was run.

VIII. successful commercialization for chocolate primary packaging.

IX. Successfully made ODL pulp in R&D lab.

X. Optimization of pulping & papermaking parameters & successful production of certain grades of Kraft paper without long fiber.

XI. Lab evaluation of different grades of Oil & Grease resistance chemicals for paper.

XII. Lab evaluation of Bagasse to generate seasonal trends for Strength properties.

XIII. Chemical cost reduction in overall process.

Innovation

I. Flexi pack trial using different grades of paper and biopolymers.

II. Trial for the manufacturing of cutlery and carry bags from mineral pellets.

III. Trial and validation on the water absorption reduction for delivery containers

IV. Exploration of the chemical (wet end / dry end) for PFAS free delivery containers.

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

The above efforts have resulted in quality improvements, cost reduction, better realization, waste reduction.

High moisture barrier property for flexi pack, patent filed for flexi pack, successful pilot trials for injection molded spoon using lime sludge, reduced water absorption percentage for delivery containers.

(C) Future plan of action

R&D

- Use of pith pulp in molded products.
- Improvement in drainage at PM 1, speed increase 10m/m.
- Lab evaluation of different types of Retention Aids, Drainage aids & plant trial for optimization during new bagasse.
- Reduce fiber loss in all over the plant target fiber loss ≤ 1%
- Development of grease proof paper at plant.
- Lab evaluation & plant scale trial of color removal chemicals at Effluent Treatment plant
- Reduction in cost of flexi paper.
- 100% tracking of chemical & packing material through SAP

Innovation

I. Development and exploration of coating material for high water / oxygen barrier properties for flexi pack.

II. Development of delivery containers with a lower water absorption percentage and good retention time.

III. Validation of delivery container with reduced water absorption percentage at different places / pan India.

IV. Exploration of dried lime sludge for thermoformed articles.

V. Utilization of lime sludge for the development of heat-resistant cutlery.

VI. High strength and burst factor paper of carry or wrap

VII. Exploration of potato starch for value added applications.

VIII. Exploring home compostable options for cutlery.

(D) Expenditure on R & D

(₹ in Lakhs)

S. No.	Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
1.	Capital	13.92	-
2.	Recurring	52.49	44.31
3.	**Total**	**66.41**	**44.31**
4.	Total R & D Expenditure as a percentage of total Turnover	0.16%	0.11%

(E) Technology absorption, adaptation and innovation

I. **Imported Technology (Imported during the last five years reckoned from the beginningof the financial year) -** Not Applicable

II. **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..

III. **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 rises 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.

4. 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 to thrust on exports.

Total foreign exchange used and earned (In ₹)

S. No.	Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
1.	Used	49,22,11,172	26,18,34,674
2.	Earned	98,89,19,664	92,85,42,342

Place: Hyderabad
Date: 10th August, 2024

Pradeep Vasant Dhobale
Chairman
DIN: 00274636

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

The Company's philosophy of Corporate Governance aims at establishing and practicing a system of good corporate governance which will assist the management in managing the Company's business in an efficient and transparent manner towards fulfilling the corporate objectives and to meet the obligations and best subserve the interest of its stakeholders. This philosophy has been strengthened by adoption of a Code of Conduct for Board of Directors and Senior Management, Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Immediate Relatives of Designated Persons of the Company and also re-enforcing our commitment towards Corporate Sustainability.

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 the 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 31st March, 2024 is as under:

As on 31st March 2024, the Company has 12 (twelve) Directors. Out of 12, 6 (six) Directors are Independent, Non-Executive, 4 (four) are Non-Independent, Non-Executive and 2 (two) are Executive including 1 (one) Managing Director. 2 (two) Independents Directors' term completed on 31st March, 2024. The Company has appointed two more Independent Directors effective from 13th June, 2024 and 1st July, 2024.

The Chairman of the Board is an Independent, Non-Executive Director not related to the Promoter or Managing Director of the Company.

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 conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013. Details of Directors such as education, nationality, date of appointment and shareholding held in the Company as on 31st March, 2024, as under:

Name and DIN	Category & Designation	Education Qualification	Nationality	Date of first appointment on the Board	Shareholding in the Company
Mr. Pradeep Vasant Dhobale DIN: 00274636	Chairman Independent Director	B.Tech.	Indian	25/09/2017	-
Mr. Ved Krishna DIN: 00182260	Non-Executive & Promoter	B.A. (Hons.)	Indian	30/05/1999	1,38,44,388
Mr. Jagdeep Hira DIN: 07639849	Managing Director	B.Tech.	Indian	22/10/2016	-
Mr. Gautam Ghosh DIN: 10371300	Executive Director	M.B.A.	Indian	24/11/2023	-
Mrs. Manjula Jhunjhunwala DIN: 00192901	Non-Executive, Non-Independent Director	B.Ed.	Indian	17/06/1981	5,56,743
Mrs. Kimberly Ann McArthur DIN: 05206436	Non-Executive, Non-Independent Director	Master in Communication	U.S.A.	13/02/2012	-
Dr. Indroneel Banerjee[1] DIN: 06404397	Independent Director		Indian	11/08/2012	-
Mr. Atul Kumar Gupta[2] DIN: 01734070	Independent Director		Indian	15/05/2014	-
Mr. Basant Kumar Khaitan DIN: 00117129	Independent Director		Indian	19/05/2018	-
Mr. Himanshu Kapoor DIN: 07926807	Non-Executive, Non-Independent Director	Chartered Accountant	Indian	29/10/2022	-
Mr. Shubham Ashok Tibrewal[3] DIN: 10274024	Independent Director	M.Sc.	French	12/08/2023	-
Mr. Rahul Krantikumar Dharmadhikary[4] DIN: 02116207	Independent Director	Ph.D.	Indian	05/09/2023	-
Mr. Alok Ranjan[5] DIN: 08254398	Independent Director	M.B.A.	Indian	13/06/2024	-
Mrs. Anna Kay Warrington[6] DIN: 07377732	Additional Director, Independent Director	M.A. in Sustainable Business	British	01/07/2024	-

1. The term of Dr. Indroneel Banerjee (DIN: 06404397) as an Independent Director completed on 31st March, 2024. Accordingly, he is not associated as an Independent Director of the Company w.e.f. 1st April, 2024.

2. The term of Mr. Atul Kumar Gupta (DIN: 01734070) as an Independent Director completed on 31st March, 2024. Accordingly, he is not associated as an Independent Director of the Company w.e.f. 1st April, 2024.

3. Mr. Shubham Ashok Tibrewal (DIN: 10274024) was appointed as an Additional Director (Non-Executive Director) in the Board Meeting held on 12th August, 2023 and regularized as an Independent Director in the Annual General Meeting held on 29th September, 2023.

4. Mr. Rahul Krantikumar Dharmadhikary (DIN: 02116207) was appointed as an Additional Director (Non-Executive Director) on 1st July, 2024 through passing circular resolution and regularized as an Independent Director in the Annual General Meeting to be held on 29th September, 2023.

5. Mr. Alok Ranjan (DIN: 08254398) was appointed as an Additional Director (Non-Executive Director) in the Board Meeting held on 13th June, 2024 and regularized as an Independent Director in the Extra-Ordinary General Meeting held on 9th July, 2024.

6. Mrs. Anna Kay Warrington (DIN: 07377732) was appointed as an Additional Director (Non-Executive Director) on 1st July, 2024 through passing circular resolution and proposed to be regularized as an Independent Director in the Extra-Ordinary General Meeting to be held on 29th August, 2024.

iv. During the year under review, the Board met 8 (eight) times. The time gap between the two consecutive meetings was less than 120 days. The said meetings were held on 29th April, 2023, 20th July, 2023, 12th August, 2023, 21st October, 2024, 24th November, 2024, 3rd February, 2024, 1st March, 2024 and 27th March, 2024. Out of 8 Board Meetings in the Financial Year 2023-24, 5 Board Meetings 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. Other Directorship & Committee Position as on 31st March, 2024:

Details of other directorship or committee position as a member of chairperson held by the Directors of the Company in other public companies, along with the name of the listed entities where the person is a director indicating the category of such directorship as on 31st March, 2024 are as under:

Name of the Director	No. of directorship in other Indian Public Companies*		No. of Board Committee positions in other Indian Public Companies**		Directorship in other equity listed companies along with category***
	Chairperson	Director	Chairperson	Member	
Mr. Pradeep Vasant Dhobale	-	1	-	1	International Travel House Limited
Mr. Ved Krishna	-	1	-	-	
Mr. Jagdeep Hira	-	-	-	-	
Mrs. Manjula Jhunjhunwala	-	1	-	-	
Mrs. Kimberly Ann McArthur	-	-	-	-	
Dr. Indroneel Banerjee	-	-	-	-	
Mr. Atul Kumar Gupta	-	1	-	-	Godfrey Philips India Limited
Mr. Basant Kumar Khaitan	-	4	-	2	Pudumjee Paper Products Limited
Mr. Himanshu Kapoor	-	-	-	-	
Mr. Shubham Ashok Tibrewal	-	-	-	-	
Mr. Rahul Krantikumar Dharmadhikary	-	-	-	-	
Mr. Gautam Ghosh	-	-	-	-	
Mr. Alok Ranjan	-	-	-	-	
Mrs. Anna Kay Warrington	-	-	-	-	

*For the purpose of reckoning Directorship /Committees position on which a Director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, have been excluded.

**In terms of Regulation 26(1)(b) of the Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted).

***Regulation 17A of the Listing Regulations provides for the inclusion of only equity listed entities for reckoning the directorship in the listed entity, hence directorships held in debt listed entities have not been considered for reporting as above.

viii. The Company has not issued any convertible instruments in the financial year 2023-24.

ix. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2024 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 a 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 Jhunjhunwala	√	-	√	-	√	-	-	√
Mrs. Kimberly Ann McArthur	√	√	√	-	√	√	-	-
Dr. Indroneel Banerjee	-	√	√	-	-	-	-	-
Mr. Atul Kumar Gupta	√	√	√	-	-	√	√	√
Mr. Basant Kumar Khaitan	√	√	√	√	√	√	√	√

Name of the Directors	Area of Skills / Expertise / Competence							
	Strategy	Finance	Leadership	Technical	HR	Governance	M&A	Government / Regulatory
Mr. Himanshu Kapoor	√	√	√	√	√	√	√	√
Mr. Shubham Ashok Tibrewal	√	√	√	√	√	√	√	√
Mr. Rahul Krantikumar Dharmadhikary	√	√	√	√	√	√	√	√
Mr. Gautam Ghosh	√	-	√	-	√	√	-	√

xii. Changes in Board composition

Mr. Shubham Ashok Tibrewal (DIN: 10274024) was appointed as an Additional Director (Independent) in the Board Meeting held on 12th August, 2023 and regularized as an Independent Director in the Annual General Meeting held on 29th September, 2023.

Mr. Rahul Krantikumar Dharmadhikary (DIN: 02116207) was appointed as an Additional Director (Independent) in the Board Meeting held on 5th September, 2023 and regularized as an Independent Director in the Annual General Meeting held on 29th September, 2023.

Further at the 43rd Annual General Meeting of the Company held on 29th September, 2023, the Members approved the re-appointment of Mrs. Kimberly Ann McArthur (DIN: 05206436) who retired by rotation and being eligible for appointment has been reappointed as Non-Executive Director of the Company.

Further at the 43rd Annual General Meeting of the Company held on 29th September, 2023, the Members approved the re-appointment of Mr. Jagdeep Hira (DIN: 07639849) as Managing Director of the Company for 5 years.

Mr. Gautam Ghosh (DIN: 10371300) was appointed as an Additional Director (Executive Director) in the Board Meeting held on 24th November, 2023 and regularized as an Independent Director in the Extra-Ordinary General Meeting held on 22nd February, 2024.

The term of Mr. Atul Kumar Gupta (DIN: 01734070 and Dr. Indroneel Banerjee (DIN: 06404397), Independent Directors was completed on 31st March, 2024. Accordingly, they are not associated as an Independent Directors with the Company w.e.f. 1st April, 2024.

Mr. Alok Ranjan (DIN: 08254398) was appointed as an Additional Director (Independent, Non-Executive Director) in the Board Meeting held on 13th June, 2024 and regularized as an Independent Director in the Extra-Ordinary General Meeting held on 9th July, 2024.

Ms. Anna Kay Warrington (DIN: 08254398) was appointed as an Additional Director (Independent, Non-Executive Director) on 1st July, 2024 through passing circular resolution and proposed to be regularized as an Independent Director in the Extra-Ordinary General Meeting to be held on 29th August, 2024.

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 the 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 the 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 qualifications 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.pakka.com of the Company.

xvi. Information provided to the Board

During FY24, 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

in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on 21st March, 2024, for FY 2024. The meeting was chaired by Mr. Pradeep Vasant Dhobale and was held without the presence of Non-Independent Directors and members of the Management except the Company Secretary who was present to coordinate the meeting. The objective of the meeting was to review the performance of NonIndependent Directors and the Board as a whole, assess the performance of the Chairman of the Company, and evaluate the quality, quantity, and timeliness of the flow of information between the Company management and the Board. The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

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.pakka.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 a Code of Conduct for IDs that 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 FY24:

Name of the Directors	Remuneration Paid (In Lakhs)		
	Sitting Fees	Pension and Professional Fees	Total
Mr. Pradeep Vasant Dhobale	4.23	-	4.23
Mr. Ved Krishna	4.80	-	4.80
Mrs. Manjula Jhunjhunwala*	1.96	12.00*	13.96
Mrs. Kimberly Ann McArthur	2.91	-	2.91
Dr. Indroneel Banerjee	4.59	-	4.59
Mr. Atul Kumar Gupta	4.20	-	4.20
Mr. Basant Kumar Khaitan	3.69	-	3.69
Mr. Himanshu Kapoor	4.20	-	4.20
Mr. Shubham Ashok Tibrewal	2.80	-	2.80
Mr. Rahul Krantikumar Dharmadhikary	0.85	-	0.85

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

b) Details of remuneration and perquisites paid to the Managing Director / Whole Time Director during FY24:-

(Amount in Lakhs)

Name	Salary & Allowance	Perquisites & Benefits	Total
Mr. Jagdeep Hira	169.23	78.66	247.89
Mr. Gautam Ghosh	7.54	-	7.54

c) Details of remuneration and perquisites paid to the Key managerial Personnel during FY24

(Amount in Lakhs)

Name	Designation	Salary & Allowance	Perquisites & Benefits	Total
Mrs. Neetika Suryawanshi	Chief Financial Officer	89.78	-	89.78
Mr. Sachin Kumar Srivastava	Company Secretary & Legal Head	31.19	0.79	31.98

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 31st March, 2024. Details of the statutory committees are as follows:

Statutory Committees

The Board has the following statutory Committees as on 31st March, 2024:

(i) Audit Committee

(ii) Nomination and Remuneration Committee

(iii) Corporate Social Responsibility Committee

(iv) Stakeholders Relationship Committee

3. Audit Committee

The Board has established a qualified and independent Audit Committee in accordance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

The composition of the Committee as on 31st March, 2024 and attendance details of meetings during FY24, are as follows:

Name of the Director	No. of Meetings held during FY24	No. of Meetings Attended
Mr. Atul Kumar Gupta@	6	6
Mr. Basant Kumar Khaitan	6	5
Mr. Jagdeep Hira	6	6
Mr. Shubham Ashok Tibrewal*	6	4
Mr. Alok Ranjan#	-	-
Mr. Rahuk Krantikumar Dharmadhikary^	-	-

@The term of Mr. Atul Kumar Gupta, Independent Director has been completed as on 31st March, 2024. Accordingly, he also vacated the position as Chairman and Member of Audit Committee.

*Mr. Shubham Ashok Tibrewal was appointed as a member of the Committee w.e.f. 20th October, 2023.

#Mr. Alok Ranjan was appointed as a Chairman of the Committee with effect from 13th June, 2024.

^ Mr. Rahul Krantikumar Dharmadhikary was appointed as a member of the Committee with effect from 13th June, 2024.

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 28th April, 2023, 11th August, 2023, 20th October, 2023, 2nd February, 2024, 1st March, 2024 and 27th March, 2024 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.
- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient, and creditable.
- Evaluation of internal financial controls and risk management systems.
- Ensuring the continued independence of the External Audit and Internal Audit.
- Oversee the statutory audit process and the internal audit function
- Oversight of function of vigil mechanism:
- All the recommendations made by the Committee during the year under review were accepted by the Board.

- Review compliance with regulatory requirements and policies.
- Approving Related Party Transactions (RPTs) and material modifications to the RPTs.
- Monitoring compliance with Insider Trading Regulations.
- Oversee financial reporting controls and processes for material subsidiaries
- Oversee compliance with legal and regulatory requirements including the PAKKA Code of Conduct and other policies on Business Ethics for the Company and its material subsidiaries
- Recommendation of the Policy on Related Party Transactions,
- Performing such other duties and responsibilities as may be consistent with the provisions of the Audit Committee charter.

Mr. Atul Kumar Gupta, then Chairman of the Committee, was present at the last AGM held on 29th September, 2023.

4. Nomination and Remuneration Committee / Compensation Committee

In accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has formed its Nomination and Remuneration Committee (NRC), composition and terms of reference of which are in conformity with the said provisions. NRC also acts as Compensation Committee as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The composition of the Committee as on 31st March, 2024 and attendance details of meetings during FY24, are as follows:

Name of the Director	No. of Meetings held during FY24	No. of Meetings Attended
Dr. Indroneel Banerjee*	4	3
Mr. Pradeep Vasant Dhobale	4	3
Mr. Basant Kumar Khaitan	4	4
Mr. Shubham Ashok Tibrewal#	1	0

*The term of Dr. Indroneel Banerjee, Independent Director, was completed on 31st March, 2024. Accordingly, he vacated the position of the Chairman and Member of the Nomination and Remuneration Committee.

Mr. Shubham Ashok Tibrewal was appointed as a Chairman of the Committee with effect from 13th June, 2024.

Meetings of the Committee were held on 5th April, 2023, 11th August, 2023, 2nd September, 2023 and 22nd November, 2024 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.

- Periodical review and refresh of the composition of the Board with the objective of ensuring that there is an optimum balance of size, skills, independence, knowledge, diversity and experience.
- Support the Board in identification, selection, appointment/ reappointment, induction and development of Directors (including Independent Directors) to meet the needs of the Company.
- Devise a policy on Board Diversity.
- Support the Board in the appointment of Senior Management and Key Managerial Personnel of the Company including the terms of appointment.
- Periodic review and recommendation of the remuneration of the Senior Management and Key Managerial Personnel of the Company.
- Oversight of the HR philosophy, HR budget, HR strategy, talent management and succession planning for Board, Senior Management and key managerial personnel.

- Support the Board in setting, reviewing and monitoring the performance standards and targets for the MD, CEO, ED and Senior Management/ key managerial personnel of the Company.
- Support the Board in evaluation of the performance of the Board, its Committees and Directors.
- Recommendation of the remuneration policy for Directors, Senior Management/ key managerial personnel as well as the rest of the employees.
- Oversee the implementation of share-based employee benefits Scheme by whatever named called as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and perform the function of overall administration and superintendence of the schemes.
- Performing such other duties and responsibilities as may be consistent with the provisions of this charter.

Dr. Indroneel Banerjee, then Chairman of the Committee was present at the last AGM held on 29th September, 2023.

5. Corporate Social Responsibility Committee

In accordance with provisions of Section 135 of the Companies Act, 2013, the Board has formed the Corporate Social Responsibility (CSR) Committee named as Corporate Social Responsibility (CSR). The Composition and terms of reference of the committee are in conformity with the said provisions.

The composition of the Committee as on 31st March, 2024 and attendance details of meetings during FY24, are as follows:

Name of the Director	No. of Meetings held during FY24	No. of Meetings Attended
Dr. Indroneel Banerjee*	3	3
Mrs. Manjula Jhunjhunwala	3	3
Mrs. Kimberly Ann McArthur@	3	0
Mr. Ved Krishna	3	2
Mr. Basant Kumar Khaitan#	-	-

*The term of Dr. Indroneel Banerjee, Independent Director was completed on 31st March, 2024. Accordingly, he vacated the position of the Member of Corporate Social Responsibility Committee.

@Mrs. Kimberly Ann McArthur was appointed as a Chairperson of the Committee with effect from 13th June, 2024.

#Mr. Basant Kumar Khaitan was appointed as a member of the Committee with effect from 13th June, 2024

Meetings of this Committee were held on 22nd April, 2023, 10th August, 2023 and 20th October, 2023 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.pakka.com/investors/.

Brief Terms of Reference/Roles and Responsibilities:

- Formulation of CSR Policy, identification & recommendation of the CSR Projects & CSR expenditure, oversight its implementation and review its impact.
- Providing guidance to the Company on environment management, social responsibilities, health & safety, product stewardship, community development, principles of managing branded operations, welfare activities in and around Munnar etc.
- Assist the management to formulate, implement and review policies, principles and practices, review partnerships and relationships to foster & support the sustainable growth of the Company.
- Performing such other duties and responsibilities as may be consistent with the provisions of the Charter of the Committee.

Mrs. Kimberly Ann McArthur, Chairperson of the Committee, was not present at the last AGM held on 29th September, 2023.

6. Stakeholder Relationship Committee

In accordance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Company has formed the Stakeholders' Relationship

Committee composition and terms of reference of which are in conformity with the said provisions.

The composition of the Committee as on 31st March, 2024 and attendance details of meetings during FY24, are as follows:

Name of the Director	No. of Meetings held during FY24	No. of Meetings Attended
Dr. Indroneel Banerjee*	1	1
Mrs. Manjula Jhunjhunwala	1	1
Mrs. Kimberly Ann McArthur	1	1
Mr. Alok Ranjan@	-	-
Mr. Jagdeep Hira#	-	-
Mr. Gautam Ghosh#	-	-

*The term of Dr. Indroneel Banerjee, Independent Director was completed on 31st March, 2024.

@Mr. Alok Ranjan was appointed as a Chairman of the Committee with effect from 13th June, 2024.

Mr. Jagdeep Hira and Mr. Gautam Ghosh were appointed as Members of the Committee with effect from 13th June, 2024 in place of Mrs. Manjula Jhunjhunwala and Mrs. Kimberly Ann McArthur respectively.

Meetings of this Committee were held on 28th April, 2023 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:

- Reviewing the grievances handling process of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- Approve issue of duplicate share certificates either at meetings or through circular resolution; '
- Frame guidelines for waiver of documents/ requirements prescribed in cases of Transmission of shares, Issue of duplicate share certificates and Recording of updation of signatures by shareholders;
- Review of measures taken for the 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;
- Such other matters may be specified by the Board from time to time.
- Any other matter as prescribed by the Companies Act, 2013 & Rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 or such other Regulation prescribed by the SEBI from time to time.

Name, designation and address of the Compliance Officer:

Mr. Sachin Kumar Srivastava,
Company Secretary & Legal Head
Pakka Limited,
Yash Nagar, Ayodhya, Uttar Pradesh - 224135
Tel: 05278 258174
Email id: investor@pakka.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 2023-24	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 29th September, 2023.

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
2022-23	29/09/2023	10:00 A.M.	Held through video conference / other audio-visual means	1. Re-appointment of Mr. Jagdeep Hira (**DIN:** 07639849) as a Managing Director of the Company for a period of 5 years.
2021-22	30/09/2022	10:00 A.M.	Held through video conference / other audio-visual means	1. Reappointment of Mr. Basant Kumar Khaitan (**DIN:** 00117129) as an Independent Director of the Company for the 2nd term.
2020-21	30/09/2021	10:00 A.M.	Held through video conference / other audio-visual means	-

b) Extraordinary General Meeting:

One Extraordinary General Meeting of the Members was held during FY23-24. One Extraordinary General Meeting of the Members of the Company was called on Friday 22nd February, 2024 at 10:00 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):

Not Applicable.

d) Postal Ballot

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

During the financial year 2023-24 ended on 31st March, 2024, 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.pakka.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: investor@pakka.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.pakka.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 is 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://pakka.com/wp-content/uploads/2022/03/Code-of-Conduct-for-Board-Members-and-Senior-Management-Personnel.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, 2024	10th August, 2024
Financial Reporting for the quarter / half year ending 30th September, 2024	Last Saturday of October, 2024
Financial Reporting for the quarter / nine months ending 31st December, 2024	Last Saturday of January, 2025
Financial Reporting for the annual audited accounts for the financial year ending 31st March, 2025	Fourth week of May, 2025

(h) Presentation made to institutional investors or to the analysts

The Presentation made to institution investors or to the analysts are also uploaded on the Stock exchanges and website of the Company.

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 has been 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 the 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 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 2023-24 except allotment of 10,89,600 equity shares allotted at a price of ₹82.21/- per equity shares to the 254 Team Members in the meeting of Nomination & Remuneration Committee / Compensation Committee held on 2nd September, 2023 under Yash Team Stock Option Plan, 2021 and received total proceeds of ₹8,95,76,016/-.

The Company has also made an allotment of 2,51,700 equity shares of ₹10/- per equity share at a price of ₹82.21/- per equity shares to the 101 Team Members in the meeting of Nomination & Remuneration Committee / Compensation Committee held on 27th June, 2024 under Yash Team Stock Option Plan, 2021 and received total proceeds of ₹2,06,92,257/-.

(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.pakka.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.pakka.com under Financial Results of the Investor Section.

(ii) Mr. Jagdeep Hira (**DIN:** 07639849), Managing Director and Mrs. Manjula Jhunjhunwala (**DIN:** 00192901), 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 on an 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.pakka.com of the Company. None of the transactions with Related Parties were in conflict with the interest of the 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 an 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/2018/0000000141dated 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.34a 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, 2024. 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 provided as **Annexure III** with this Report.

12. General Shareholder Information

(A) Annual General Meeting

Date & Day	Saturday, 28th September, 2024
Time	09:00 AM
Mode	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Financial Year	1st April to 31st March

(B) Dividend

The Board of Directors in its meeting held on 30th May, 2024 has decided to retain funds for major capacity expansion both domestically and internationally, hence decided not to recommend any Dividend.

(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 years 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 which is not yet due for transfer to IEPF.

(D) Listing on Stock Exchange

The Company's entire equity share capital comprising of 3,91,68,100 equity shares of ₹10 each is listed at the following Stock Exchanges:

Name and Address of the Stock Exchange	Stock Code / Trading Symbol
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 023	516030
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	PAKKA

(E) Listing and Custodian Fees

The Company has paid listing fees for the Financial Year 2023-24 and 2024-25 to the BSE Ltd and National Stock Exchange of India Limited. The Company has also paid an annual custodial fee for the financial year 2023-24 and 2024-25 to the depositories namely NSDL and CDSL.

(F) Shareholding as on 31st March, 2024

(i) Distribution of Equity Shareholding as on 31st March, 2024

SHARE HOLDINGS OF NOMINAL VALUE OF	SHARE HOLDERS		SHARE AMOUNT	
	Number	% to Total	In ₹	% to Total
(1)	(2)	(3)	(4)	(5)
Upto - 5,000	37583	88.04	39604710	10.11
5,001 - 10,000	2568	6.02	20322690	5.19
10,001 - 20,000	1284	3.01	19626670	5.01
20,001 - 30,000	439	1.03	11407920	2.91
30,001 - 40,000	205	0.48	7298240	1.86
40,001 - 50,000	150	0.35	7028740	1.79
50,001 - 1,00,000	253	0.59	18152700	4.63
1,00,001 and Above	206	0.48	268239330	68.48
TOTAL	42688	100.00	391681000	100

(ii) Shareholding Pattern of Equity Shares as on 31st March, 2024

Sl. No.	Categories of Shareholders	As on 31-03-2024	
		No. of Shares	% to Shares
1	Promoters	1,87,20,271	47.79
2	Mutual Funds and UTI	1,000	0.00
3	Banks, Financial Institutions	0	0.00
4	Central/ State Government	0	0.00
5	Corporate Bodies	14,57,436	3.72
6	Individuals/ HUF / Trusts/ Clearing Members	17,934,320	45.79
7	Directors' Relatives	730	0.00
8	Foreign Nationals / NRIs	10,04,329	2.56
	Total	**3,91,68,100**	**100.00**

(iii) Promoters' Group Shareholding as on 31st March, 2024

Sl. No.	Name of Promoters	No. of Shares held	Shareholding as a % of total no. of shares	No. of Pledged Shares*	% As a % of Total Shares held
1	Mr. Ved Krishna	1,38,44,388	35.35	1,10,39,950	79.74
2	Yash Agro Products Limited	9,68,640	2.47	9,68,640	100.00
3	Satori Global Limited	33,34,500	8.51	33,34,500	100.00
4	Mrs. Manjula Jhunjhunwala	5,56,743	1.42	5,51,066	98.98
5	Mrs. Kimberly Ann McArthur	0	0.00	0	0.00
6	Krishnakumar Jhunjhunwala (H.U.F.) – Ved Krishna (Karta)	16,000	0.04	16,000	100.00
	Total	**1,87,20,271**	**47.79**	**1,59,10,156**	**84.99**

*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 State Bank of India (Consortium Leader for existing credit facilities as availed by the Company) vide its Letter No. COMM/AMT/2023-24/46 dated 30th January, 2024 has communicated approval of consortium comprising of State Bank of India, Punjab National Bank, Union Bank of India and UCO Bank respectively for release of 1,59,10,156 equity shares pledged with them.

The procedure to release the aforesaid equity shares is in process and a separate intimation will be made for the release of aforesaid pledged shares held by Promoter & Promoters' Group of the Company.

(iv) Capital of the Company

The Authorized and paid-up capital of your Company are ₹60.05 crores and ₹39.17 crores respectively as on 31st March, 2024. The paid-up share capital increased to ₹39.17 crores on 2nd September, 2023 on allotment of 10,89,600 Equity Shares of Face Value of ₹10/- each of Pakka to 254 Team Members under Yash Team Stock Option Plan, 2021.

Further, the paid-up share capital increased from ₹39.17 crores to ₹39.41 crores on 27th June, 2024 on allotment of 2,51,700 Equity Shares of Face Value of ₹10/- each of Pakka Limited to 101 Team Members under Yash Team Stock Option Plan, 2021.

(v) Top Ten shareholders as on 31st March, 2024

Sl. No.	Name of Shareholders	No. of Equity Shares held	% of Total Equity Shares held
1.	Sangeetha S	8,98,000	2.29
2.	Satpal khattar	4,46,002	1.14
3.	Vandana Sehgal	4,11,490	1.05
4.	Ajay Naresh Aggarwal	2,77,855	0.71
5.	Chirayush Pravin Vakil	1,54,849	0.40
6.	Networth Commercial Private Limited	1,51,000	0.39
7.	Binod Kumar Gupta	1,48,107	0.38
8.	Kishor Kumar Nandani	1,40,981	0.36
9.	Jyotsna Rasik Gala	1,26,509	0.32
10.	Ravi Shankar Sanbhag	1,26,000	0.32
	Total	**28,80,793**	**7.36**

(vi) Stock Price Data/ Stock Performance: Year 2023-24

a. During the year under report, the trading in the Company's equity shares was from 1st April, 2023 to 31st March, 2024. The high and low price during the period on the BSE Limited was as under:-

Month	BSE		BSE SENSEX	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2023	111.00	96.90	61209.46	58793.08
May, 2023	115.75	101.00	63036.12	61002.17
June, 2023	123.75	102.95	64768.58	62359.14
July, 2023	139.40	106.90	67619.17	64836.16
August, 2023	197.50	124.80	66658.12	64723.63
September, 2023	243.95	176.55	67927.23	64818.37
October, 2023	316.15	215.24	66592.16	63092.98
November, 2023	264.40	229.10	67069.89	63550.46
December, 2023	260.00	218.00	72484.34	67149.07
January, 2024	398.40	218.95	73427.59	70001.6
February, 2024	382.85	281.35	73413.93	70809.84
March, 2024	327.35	245.00	74245.17	71674.42

b. During the year under report, the trading in the Company's equity shares was from 11th July, 2023 to 31st March, 2024. The high and low price during the period on the NSE India Limited was as under:-

Month	NSE		Nifty50	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2023*	-	-	-	-
May, 2023*	-	-	-	-
June, 2023*	-	-	-	-
July, 2023*	139.50	117.40	19991.85	19234.40
August, 2023	197.50	124.75	19795.60	19223.65
September, 2023	246.00	176.85	20222.45	19255.70
October, 2023	316.40	215.00	19849.75	18837.85
November, 2023	264.50	230.00	19623.20	18973.70
December, 2023	261.00	217.75	21801.45	20183.70
January, 2024	399.00	217.95	22124.15	21137.20
February, 2024	382.90	281.10	22297.50	21530.20
March, 2024	327.00	243.55	22526.60	21817.45

*The equity shares of the Company got listed on NSE on 11th July, 2023. Hence, comparison for the month of April, 2023 to July, 2023 with Nifty 50 was not done.

c. **Performance at BSE in comparison to Sensex: Year 2023-24**

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	01 April, 2023	31 March, 2024	% CHANGE
Company Share Price (High)	₹111	₹327.35	1.94%
SENSEX (High)	61209.46	74245.17	21.30%

a. **Performance at NSE in comparison to NIFTY: Year 2023-24**

The performance of the Company's scrip on the NSE as compared to the Nifty has not been given as the equity shares of the Company got listed on NSE on 11th July, 2023, hence not comparable.

(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, 2024, 98.83% of total equity share capital (38,70,81,970) 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 a Secretarial Audit of records and documents of the Company for FY24. 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 31st March, 2024. The Audit report is disseminated to the Stock Exchanges on quarterly basis and is also available under Investor Section of our website www.pakka.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

(M) Registered Office

Pakka Limited
312, Plaza Kalpana Society,
24/147, B-49, Birhana Road,
Kanpur,
Uttar Pradesh – 208001
India
E-mail: connect@pakka.com

(N) Plant Locations

Pakka Limited
Yash Nagar,
Ayodhya – 224 135
Ph. +91 5278 258174;
E-mail: connect@pakka.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
Pakka Limited
Yash Nagar,
Ayodhya – 224 135
Ph. +91 5278 258174;
E-mail: investor@pakka.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.pakka.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.

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 along with any revisions thereto during the relevant financial year.

During FY24, 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 10th August, 2024.

On Behalf of the Board

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 10th August, 2024

Annexure - I

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 31st March, 2024.

On Behalf of the Board

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 10th August, 2024

Annexure - II

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

To,
The Board of Directors
Pakka Limited
(Formerly known as Yash Pakka Limited)

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Pakka Limited ("the Company"), to the best our knowledge and belief certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2024 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 Pakka Limited

Jagdeep Hira
Managing Director
DIN: 07639849

for Pakka Limited

Neetika Suryawanshi
Chief Financial Officer

Date: 10th August, 2024
Place: Ayodhya

Annexure - III

Corporate Governance Compliance Certificate

To
The Members,
Pakka Limited

We have examined the compliance of conditions of Corporate Governance by **Pakka Limited** ("the Company"), for the financial year ended on March 31, 2024 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 the 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
Practicing Company Secretary
Membership No. : F5478
C.P. No. 4682
UDIN - F005478F000493130

Date: May 30, 2024
Place: Lucknow

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,
Pakka Limited

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **PAKKA LIMITED (formerly known as YASH PAKKA LIMITED)** having CIN: L24231UP1981PLC005294 and having registered office at 312, Plaza Kalpana Society, 24/147, B-49, 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, 2024.

Sl. No.	Name of Directors	Director Identification Number	Date of Appointment in the Company
1.	Mr. Pradeep Vasant Dhobale	00274636	25/09/2017
2.	Mr. Ved Krishna	00182260	30/05/1999
3.	Mr. Jagdeep Hira	07639849	22/10/2016
4.	Mr. Gautam Ghosh	10371300	24/11/2023
5.	Mrs. Manjula Jhunjhunwala	00192901	17/06/1981
6.	Mrs. Kimberly Ann McArthur	05206436	13/02/2012
7.	Dr. Indroneel Banerjee	06404397	11/08/2012
8.	Mr. Atul Kumar Gupta	01734070	15/05/2014
9.	Mr. Basant Kumar Khaitan	00117129	19/05/2018

Sl. No.	Name of Directors	Director Identification Number	Date of Appointment in the Company
10.	Mr. Himanshu Kapoor	07926807	29/10/2022
11.	Mr. Shubham Ashok Tibrewal	10274024	12/08/2023
12.	Mr. Rahul Krantikumar Dharmadhikary	02116207	05/09/2023

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Practicing Company Secretary
Membership No. : F5478
C.P. No. 4682
UDIN - F005478D000778899

Date: May 30, 2024
Place: Lucknow

Packaging with a Soul

Financial Statements

Independent Auditor’s Report

To
The Members of
Pakka Limited (Formerly Known As Yash Pakka Limited)

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of Pakka Limited (Formerly known as Yash Pakka Limited) (“the Company”), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of material 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its 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 (‘ICAI’) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence 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.

<table>
<tr><th>Sr. No</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>1.</td><td>Capitalization and useful life of Property Plant and Equipment (PPE)
❒ During the year, the Company has capitalized items of PPE including those from Capital work in progress and is in the process of executing various projects like, purchasing / installation of new machinery / 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;
❒ These have 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 Indian Accounting Standard (Ind AS) 16
(Refer Note 2 to the Standalone financial statements)</td><td>Audit Approach :
We performed the following procedures:
❒ Obtained an understanding of the system of internal control process over the capitalization of projects and those included in capital work in progress, with reference to identification and testing of key controls;
❒ 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;
❒ Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;
❒ 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 Ind AS 16, Property, Plant and Equipment;
❒ Ensured adequacy of disclosures in the Standalone financial statements.</td></tr>
<tr><td>2.</td><td>Information Technology systems and controls over financial reporting.
We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company's systems and data, cyber security has become more significant.
Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed and to operate effectively to ensure accurate financial reporting.</td><td>Audit Approach:
We performed the following procedures:
❒ Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit;
❒ Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations;
» Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year;
» Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company;
» Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting systems</td></tr>
</table>

Information other than the Standalone financial statements and Auditors report thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's 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 Management Discussion and Analysis, 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Management and the 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 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 and the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors' use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income, Standalone statement of changes in equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the relevent rules issued thereunder;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial Controls with reference to Financial statements;

(g) With respect to the other matters to be included in the 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 as on March 31, 2024 on its financial position in its Standalone financial statements – Refer Note 46 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 it's knowledge and belief, as disclosed in note 50 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 it's knowledge and belief,as disclosed in note 50 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;

v. 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;

vi. Based on our examination which included test checks, the accounting software used for maintaining books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 24037391BKBOIM9226

Place: Mumbai
Date: May 30,2024

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 Pakka Limited (Formerly known as Yash Pakka Limited) ("the Company") on the Standalone financial statements for the year ended March 31 2024)

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) The Company has a programme of physical verification of its Property Plant and Equipment, Right of Use assets so by which all the items are verified in a phased manner over a period of three years. In accordance with this programme the Company has verified certain items of Property Plant and Equipment during the year and the discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts;

(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 and based on the confirmation received from banks as 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 (including Right of Use Assets) or Intangible Assets or both during the year. Accordingly reporting under clause3 (i) (d) of the Order, is not applicable to the Company;

(e) 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) The Company has not verified 100% of its Inventory at reasonable intervals during the year. In our opinion the coverage and procedure of such verification by the management of the Inventory verified during the year 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 17.1 to the Standalone financial statements;

(iii) (a) As disclosed in note 12A and 12B of the financial statements , the Company has granted loans to its subsidiaries and employees during the year. The company has neither stood guarantee nor provided any security to any entity during the year;

(₹ in Lakhs)

Particulars	Loans	Security	Guarantee	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
Related Parties*	1,991.03	-	-	-
Employees	495.02	-	-	240.37
Amount outstanding as at the Balance sheet date				
Related Parties*	2,712.58			-
Employees	150.25			80.55

*Including accrued interest thereon

(b) In our opinion, the investments made, and the terms and conditions of the loans given by the Company during the year are not, prejudicial to the Company's interest;

(c) In respect of the loans granted, schedule of repayment of principal and payment of interest has been stipulated. The tenure of the said loans was extended during the year and based on the revised repayment schedules; no repayment of loan & interest has fallen due during the year.;

(d) In respect of the loans granted, there is not amount overdue for a period of more than 90 days;

(e) During the year, the tenure of loans granted to subsidiaries in earlier years, which had fallen due during the year were extended. No loans were renewed, nor fresh loans granted to settle the over dues of existing loans given to the said subsidiaries. The details of loans, the tenure of which was extended are as below:

Name of the Entity	Aggregate amount of loans or advances in loans granted during the year. (₹ Lakhs)	Aggregate overdue amount settled by extension granted to same parties. (₹ Lakhs)	% of the aggregate to the total loans or advances in the nature of loans granted during the year (₹ Lakhs)
Pakka Inc	1,417.36	416.87	29.41%
Pakka Impact Limited	573.67	152.00	26.50%
Total	1,991.03	**568.87**	**28.57%**

(f) During the year the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to any promoters, related parties as defined in clause (76) of section 2 of Companies Act, 2013. Hence reporting under clause (iii)(f) is not applicable;

(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, 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, income tax, goods and service tax, customs duty, cess and other material statutory dues in arrears as at March 31 2024 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 March 31 2024 on account of dispute are given below:

(Amount ₹ Lakhs)

Name of statute	Nature of dues	Amount (Net of amount paid under protest)	*Period to which the amount relates	Forum where the matter is pending
UP VAT Act, 2008	Entry Tax	1.55	2016-2017	Joint Commissioner,
	ITC mismatch	-	2017-2018	Ayodhya
	Demand on assessment	1.71	2016-2017	
	VAT on purchase of paddy from unregistered parties	196.99	2008-2009	High Court Allahabad,
		72.44	2012-2013	Lucknow Bench
Central Excise Act, 1944	Lapse of balance available in account (Input and Service Tax)	238.98	2009-2010	High Court Allahabad
		111.57	2010-2011	

*Excluding amount paid under protest of ₹13.35 lakhs.

(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;

(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 been a declared wilful defaulter by any bank or financial institution or other lenders during the year;

(c) On an examination of the records of the Company, we report that during the year, the term loan were applied for the purpose for which the loans were obtained;

(d) We report that the Company has not used the funds raised on short term basis for long term purposes;

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries; The Company does not have any associates or Joint ventures;

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries; The Company does not have any associates or Joint ventures

(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;

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year;

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

(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;

(c) As represented by the Management, there are no whistle blower complaints received by the Company during the year;

(xii) The Company is not a Nidhi Company. Accordingly reporting under clause 3(xii) of the Order is not applicable;

(xiii) The Company is in compliance with sections 177 and 188 of Companies Act, 2013 with respect to transactions with related parties;

(xiv) (a) Based on the review of the reports of the Internal Auditors for the year, 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;

(b) We have considered the reports of the Internal auditors for the period under audit; issued to the Company during the year, in determining the nature, timing and extent of our audit procedures;

(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;

(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 clause 3(xvi)(a) of the Order is not applicable;

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, Accordingly reporting under clauses 3 (xvi)(b) of the Order is not applicable;

(c) The Company is not a Core Investment Company as defined in the Regulations made by the Reserve bank of India;

(d) There is no Core investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable;

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year;

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

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying 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) In respect of other than ongoing projects, there were no unspent amounts required to be transferred to any fund specified in Schedule VII of the Act. 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;

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 24037391BKBOIM9226

Place: Mumbai
Date: May 30,2024

Annexure "B" to the Independent Auditor's Report

Report on the Internal Financial Controls with reference to the aforesaid Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to Standalone financial statements of **Pakka Limited (Formerly known as Yash Pakka Limited)** ("the Company") as of March 31, 2024, 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, except for strengthening of process of financial closure at every period end, the Company has, in all material respects adequate internal financial controls with reference to Standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 with reference to Financial statements, 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 financial statements were established and maintained and whether such controls operated effectively in all material respects;

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such 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 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 opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 24037391BKBOIM9226

Place: Mumbai
Date: May 30,2024

Standalone Balance Sheet as at 31 March, 2024

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	19,658.40	19,183.98
(b) Capital work-in-progress	3	3,467.33	1,708.66
(c) Right of Use Assets	4(B)	36.45	67.70
(d) Goodwill	4	-	408.80
(e) Other intangible assets	4	46.25	60.64
(f) Intangible assets under development	5	14.25	14.25
(g) Investments in Subsidiaries	6(A)	576.02	743.76
(h) Financial assets			
(i) Investments	6(B)	0.19	0.14
(ii) Loans	12(A)	2,809.79	636.82
(iii) Other Financial Assets	11(A)	7.73	7.33
(i) Other non current assets	7	1,434.12	211.43
Total non current assets		28,050.53	23,043.51
CURRENT ASSETS			
(a) Inventories	8	11,114.05	9,768.62
(b) Financial assets			
(i) Investments	6(C)	117.90	110.00
(ii) Trade receivables	9	4,001.26	2,443.81
(iii) Cash and cash equivalents	10	5,354.13	77.97
(iv) Bank balances other than (iii) above	11(B)	1,489.92	597.15
(v) Loans	12(B)	133.59	41.08
(vi) Other financial assets	13	153.45	142.03
(c) Other current assets	14	1,347.34	1,598.49
Total current assets		23,711.64	14,779.15
TOTAL ASSETS		51,762.17	37,822.66
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	3,916.81	3,807.85
(b) Other equity	16	22,551.98	17,540.44
Total Equity		26,468.79	21,348.29
Liabilities			
(2) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(A)	10,958.57	2,179.32
(ii) Lease liabilities	18(A)	5.98	39.82
(iii) Other financial liabilities	19	430.50	337.50

Standalone Balance Sheet as at 31 March, 2024

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
(b) Deferred tax liabilities (net)	20	2,439.22	2,352.46
(c) Other non current liabilities	21	217.99	156.75
(d) Provisions	25(A)	5.50	3.60
Total non current liabilities		**14,057.76**	**5,069.45**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(B)	7,207.31	8,140.55
(ii) Lease liabilities	18(B)	33.84	30.63
(iii) Trade payables	22		
(A) Total outstanding dues of Micro enterprises and Small Enterprises		305.30	286.96
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		934.11	598.74
(iv) Other financial liabilities	23	19.48	12.50
(b) Other current liabilities	24	1,504.61	1,493.12
(c) Provisions	25(B)	710.25	703.03
(d) Current Tax liabilities (Net)	26	520.72	139.39
Total current liabilities		**11,235.62**	**11,404.92**
Total liabilities		**25,293.38**	**16,474.37**
TOTAL EQUITY AND LIABILITIES		**51,762.17**	**37,822.66**
Material Accounting Policy information	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Standalone Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I	Revenue from operations	27	40,474.29	40,830.82
II	Other income	28	998.27	1,158.47
III	**Total income**		**41,472.56**	**41,989.29**
IV.	**Expenses**			
	Cost of materials consumed	29	15,580.23	15,402.18
	Purchase of stock-in-trade		484.59	578.25
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(1,173.21)	219.81
	Employee benefits expenses	31	4,457.54	4,236.45
	Finance costs	32	896.80	1,112.91
	Depreciation and amortization expenses	33	1,395.40	1,272.79
	Other expenses	34	12,567.09	11,935.73
	Total Expenses (IV)		**34,208.44**	**34,758.12**
V.	**Profit before Tax (III - IV)**		**7,264.12**	**7,231.17**
VI.	**Tax expense:**	35		
	1. Current tax		2,295.40	1,434.61
	2. Deferred tax		99.43	650.32
	3. Tax adjustments relating to earlier years		2.36	0.00
VII.	**Profit for the period (V - VI)**		**4,866.93**	**5,146.24**

Standalone Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
VIII. Other comprehensive income			-
(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(43.48)	(38.13)
(ii) Income tax related to items that will not be reclassified to profit or loss		12.66	11.10
Total Other Comprehensive Income		(30.82)	(27.03)
IX. Total comprehensive income for the period (VII - VIII)		4,836.11	5,119.21
X. Earnings per equity share	36		
1. Basic		12.57	13.51
2. Diluted		12.49	13.45
Material Accounting Policy information	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Standalone Statement of Cash Flows for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	7,264.12	7,231.17
Adjustments for :		
Depreciation and amortization	1,395.40	1,272.79
Loss/ (profit) on sale of property, plant and equipment	(44.44)	51.43
Interest income	(257.25)	(153.31)
Finance cost	773.10	884.62
Remeasurement of net defined benefit plans	(43.48)	(38.13)
Provision for Impairment of Investment	172.74	-
Provision for Impairment of Goodwill	408.80	-
Net (gain)/ loss on investments measured at Fair Value through Profit and Loss	(7.96)	0.05
Employees Share Base payment Reserve	(86.91)	227.15
Operating profit before working capital changes	9,574.12	9,475.77
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
(Increase)/ decrease in trade receivables	(1,557.45)	(190.24)
(Increase)/ decrease in inventories	(1,345.43)	(1,892.17)
(Increase)/ decrease in other financial assets	(11.42)	(6.04)
(Increase)/ decrease in other assets	275.15	(444.84)
Adjustment for increase/(decrease) in operating liabilities		
Increase/ (decrease) in trade payables	353.71	(207.30)
Increase/ (decrease) in other financial liabilities	6.98	12.50
Increase/ (decrease) in other liabilities	(78.26)	(54.08)
Increase/ (decrease) in provisions	9.12	227.96
Cash generated from / (Used in) operations	7,226.52	6,921.56
Income taxes refunded / (paid), net	(1,916.43)	(1,349.11)
Net cash generated from / (used in) operating activities	5,310.09	5,572.45

Standalone Statement of Cash Flows for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets (including capital work in progress and capial advance)	(4,648.04)	(3,226.13)
Proceeds from sale of property, plant and equipment	76.30	108.24
(Increase)/ decrease in Loans including accrued interest	(2,129.49)	(634.59)
Interest received	121.26	153.31
Investments in subsidiary Companies	(5.00)	(367.74)
Investment in Mutual Fund	-	(110.00)
Other bank balances (margin money)	(893.17)	(28.16)
Net cash (used in) / generated from investing activities	**(7,478.14)**	**(4,105.07)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (decrease) in long-term borrowings	8,779.25	(725.70)
Increase/ (decrease) in short-term borrowings	(933.24)	622.10
Proceeds from Issue of equity shares	108.96	-
Security Premium on issue of Equity shares	1,202.37	-
Finance costs paid	(773.10)	(884.62)
Dividend Paid	(940.03)	(761.57)
Net cash used in financing activities	**7,444.21**	**(1,749.79)**
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	5,276.16	(282.41)
Cash and cash equivalents at the beginning of the year	77.97	360.38
Cash and cash equivalents at the end of the year	**5,354.13**	**77.97**

Note: Reconcilation between cash equivalents and cash and bank balance.

Standalone Statement of Cash Flows for the year ended 31 March, 2024

Note :

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash and cash equivalents as per cash flow statement	5,354.13	77.97
Add: Margin money deposits not considered as cash and cash equivalents	1,497.65	604.48
Cash and bank balances	**6,851.78**	**682.45**

Notes to the statement of cash flows and disclosure of non cash transactions

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

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.

Material Accounting Policy information (Refer note 1)

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

For and on behalf of the Board

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Standalone Statement of Changes in Equity for the year ended 31 March, 2024

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
Balance as on 1st April, 2022	**3,807.85**
Additions during the year	-
Balance as on 31st March, 2023	**3,807.85**
Additions during the year	108.96
Balance as on 31st March, 2024	**3,916.81**

B. Other equity

(₹ in Lakhs)

Particulars	Other Equity						Total equity
	Reserves and Surplus					Other Comprehensive Income	
	Capital Reserve	Securities Premium	Employees Share Base payment Reserve	General reserve	Retained Earnings	Other items of other comprehensive income	
Balance as on 1st April, 2023	**37.32**	**1,172.16**	**227.15**	**550.00**	**15,692.41**	**(138.60)**	**17,540.44**
Additions during the year	-	786.79	328.67	-	-	(30.82)	1,084.64
Transfer during the year		415.58	(415.58)				0.00
Profit for the year	-	-	-	-	4,866.93	-	4,866.93
Dividend Paid for the year ended 31st March, 2023	-	-	-	-	(940.03)	-	(940.03)
Balance as on 31st March, 2024	**37.32**	**2,374.53**	**140.24**	**550.00**	**19,619.31**	**(169.42)**	**22,551.98**

Standalone Statement of Changes in Equity for the year ended 31 March, 2024

Particulars	Other Equity						Total equity
	Reserves and Surplus					Other Comprehensive Income	
	Capital Reserve	Securities Premium	Employees Share Base payment Reserve	General reserve	Retained Earnings	Other items of other comprehensive income	
Balance as on 1st April, 2022	**37.32**	**1,172.16**	**-**	**550.00**	**11,307.74**	**(111.57)**	**12,955.65**
Additions during the year	-	-	227.15	-	-	(27.03)	200.12
Transfer during the year			-		-		0.00
Profit for the year	-	-	-	-	5,146.24	-	5,146.24
Dividend Paid for the year ended 31st March, 2022	-	-	-	-	(761.57)	-	(761.57)
Balance as on 31st March, 2023	**37.32**	**1,172.16**	**227.15**	**550.00**	**15,692.41**	**(138.60)**	**17,540.44**

Refer Note 16 for nature and purpose of reserves

Material Accounting Policy information (Refer note 1)

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
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Membership No.: 037391
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Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

Corporate Information

Pakka Limited (Formerly known as Yash Pakka Limited) ("Pakka" or "the Company") is a public limited Company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange in India. The registered office of the company is located at 2nd Floor, 24/57, Birhana Road, Kanpur – 208001, Uttar Pradesh, India. The principal place of business of the Company is in Ayodhya, Uttar Pradesh, India.

The Company is mainly engaged in the business of manufacture and dealing in Paper and Moulded products

1. Basis of Preparation:

These Standalone financial statements of the Company comprises, the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "Standalone financial statements"). These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under Section 133 of Companies Act, 2013, (the 'Act') and guidelines issued by the Securities and Exchange Board of India (SEBI).

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 30th May, 2024

Basis of measurement

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

In preparing these standalone financial statements, the Company's management ('the Management") has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 6A- Determining the amount of Impairment loss.
- Note 39- Determining the amount of expected credit loss on financial assets (including trade receivables)
- Note 27 - Identification of performance obligation in revenue recognition

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 2-5 :Estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

- Note 8 : Valuation of inventories;
- Note 27 & 41 : Revenue recognition based on percentage of completion and provision for onerous contracts.
- Note 35 : recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 37 : Measurement of defined benefit obligations; key actuarial assumptions;
- Note 39 : Impairment of financial and non-financial assets.
- Note 43 : Fair valuation of Employee Stock Option Plans (ESOP's);
- Note 46 : Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;

Note 4(A) and 42: Ind AS 116 –

Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Operating cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has considered the operating cycle as the life of the project for project related assets and liabilities and for rest of the assets and liabilities it has been considered as 12 months

1.2. Material Accounting Policy Information

1.2.1. Property, Plant and Equipment

Recognition and Measurement:

Freehold land is carried at historical cost. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Subsequent measurement

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

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

Depreciation:

Depreciation is provided on a straight-line basis so as to expense the cost less residual value over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in case of assets in moulded products division where useful life is determined based on technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of Asset	Useful Life
Factory Buildings	30 Years
Non Factory Buildings	3-60 Years
Plant and equipments	5-25 Years
Furniture and fixtures	10 Years
Office equipments	5 Years
Computers	3 Years
Electrical Installation & fittings	10 Years
Vehicles	8 Years

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss.

Capital Work-In-Progress.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

Advances given towards acquisition of assets and outstanding at each balance sheet date are disclosed as “Other Non-Current Assets”.

1.2.2. Intangible Assets

Recognition

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

Expenditure on research activities is recognised in statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred.

Amortization

Intangible assets are Amortised over their estimated useful lives (5 years) using the straight-line method. Amortisation method, useful lives and residual values are reviewed at the end of each reporting date and adjusted if appropriate.

Goodwill

Goodwill is initially recognized based on accounting policy for business combinations and tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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 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.

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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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 at Cost in accordance with the option available in Ind AS 27 'Separate Financial Statements'.

1.2.7. Inventories

- Inventories are measured at the lowerof cost and net realisable value. The cost of inventories is determined on weighted average basis and incldues expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.
- In the case of raw materials and stock-in-trade, cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.. In the case of finished goods and work in progress,
- cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted Average Cost basis.

  Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

  The comparison of cost and net realisable value is made on an item-by-item basis.

1.2.8. Revenue Recognition

Sale of goods and services

Revenue is recognised 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 the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers. Export sales are recognized on the issuance of Bill of Lading/ Airway bill by the carrier.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

1.2.9. Employee benefits

i. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Long term employee benefits

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.

Defined Contribution Plans and 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. Share based payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair valuation on the grant date of the awards given to employees is recognized as 'Employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis black-scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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. Government grants received in relation to assets are presented as a reduction to the carrying amount of the related assets.

The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between initial carrying value of the loan and proceeds received. The loan is subsequently measured at amortised cost.

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, , Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme and Export Promotions on Capital Goods (EPCG) scheme are also treated as government grants.

1.2.13.Provisions, Contingent Liabilities and Contingent Assets

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

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.

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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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.

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 contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

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 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

- ➢ 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 FVTOCI) 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 FVTOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVTOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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.

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 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.

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 31 March, 2024

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 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.

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 (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest 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

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

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.

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 Company are segregated based on the available information.

1.2.23.Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director 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.

1.2.25.Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards of amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

2. Property, Plant and Equipment

As at 31st March, 2024

(₹ in Lakhs)

Particulars	Freehold land	Leasehold land	Factory buildings	Roads & Bridges	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
Gross carrying value											
As at 1st April, 2023	349.37	181.25	2,970.40		397.31	19,139.68	26.32	221.17	156.42	1,122.47	24,564.39
Additions	30.93		44.35	321.34	42.91	809.24	6.26	44.28	43.16	506.91	1,849.38
Additions (Pakka Inc.)							-				-
Deletions			20.56		-	64.12	-	6.73	9.36	9.71	110.48
As at 31st March, 2024	380.30	181.25	2,994.19	321.34	440.22	19,884.80	32.58	258.72	190.22	1,619.67	26,303.29
Accumulated Depreciation											-
As at 1st April, 2023	-	21.12	691.75		23.96	4,109.10	4.82	65.65	88.41	375.60	5,380.41
Additions		2.32	115.63	10.16	9.03	1,033.37	4.71	29.55	33.42	104.91	1,343.10
Deletions		-	17.44		-	37.06	-	6.40	8.89	8.83	78.62
As at 31st March, 2024	-	23.44	789.94	10.16	32.99	5,105.41	9.53	88.80	112.94	471.68	6,644.89
Net Carrying amount											
As at 1st April, 2023	349.37	160.13	2,278.65	-	373.35	15,030.58	21.50	155.52	68.01	746.87	19,183.98
As at 31st March, 2024	380.30	157.81	2,204.26	311.18	407.23	14,779.39	23.05	169.93	77.28	1,147.99	19,658.40

As at 31st March, 2023

(₹ 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
Gross carrying value										
As at 1st April, 2022	349.37	181.25	2,816.77	398.24	16,676.73	20.66	237.09	133.10	748.22	21,561.43
Additions	-	-	170.92	9.08	2,761.83	5.66	22.62	25.94	376.26	3,372.31
Deletions	-	-	17.29	10.01	298.88	-	38.54	2.62	2.01	369.35
As at 31st March, 2023	349.37	181.25	2,970.40	397.31	19,139.68	26.32	221.17	156.42	1,122.47	24,564.39
Accumulated Depreciation										-
As at 1st April, 2022	-	18.79	603.43	25.58	3,294.55	(0.91)	63.11	62.23	301.61	4,368.39
Additions	-	2.33	104.61	7.89	969.66	5.73	27.22	28.44	75.82	1,221.70
Deletions	-	-	16.29	9.51	155.11	-	24.68	2.26	1.83	209.68
As at 31st March, 2023	-	21.12	691.75	23.96	4,109.10	4.82	65.65	88.41	375.60	5,380.41
Net Carrying amount										
As at 1st April, 2022	349.37	162.46	2,213.34	372.66	13,382.18	21.57	173.98	70.87	446.61	17,193.04
As at 31st March, 2023	349.37	160.13	2,278.65	373.35	15,030.58	21.50	155.52	68.01	746.87	19,183.98

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

(i) Leased Assets

The lease term in respect of assets acquired under finance leases expires within 57-73 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 except the moulded product division wherein based on assessment, the impairment loss of ₹420.42 lakhs was identified during the year and accordingly, the goodwill recognised of ₹408.80 Lakhs relating to Moulded products division was fully impaired.

(iv) Revision in useful life of certain assets

During the previous year, the Company had reassessed the useful life of certain items of property, plant and equipments under Moulded Products Division and based on the assessment, the useful life has been reduced from 25 years to 20 years in respect of Plant and Equipments and 8 years to 5 years in respect of Moulds resulting in additional charge of ₹102.90 lakhs in depreciation.

(v) Other Notes:

a) Property, Plant and Equipment values are carried in the Standalone financial statements on their Historic value (Cost of Acquisition).

b) Title deeds of all immovable properties of land and buildings which are freehold are in the name of the Company.

c) For capital commitments, Refer Note 47

d) The Company has not revalued any of its Property, plant and equipment and intangible assets during the year.

e) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

3. Capital work in progress (CWIP)

As at 31st March, 2024

Particulars	Amount
Gross carrying value	
As at 1st April, 2023	1,708.66
Additions	3,150.85
Transfer to PPE	(1,392.18)
As at 31st March, 2024	**3,467.33**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

3. Capital work in progress (CWIP) *Contd.*

As at 31st March, 2023

Particulars	Amount
Gross carrying value	
As at 1st April, 2022	1,798.04
Additions	2,331.78
Transfer to PPE	(2,421.16)
As at 31st March, 2023	**1,708.66**

CWIP Ageing Schedule as on 31st March,2024

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	2,031.82	1,063.41	330.05	42.05	3,467.33
Projects temporaily suspended	-	-	-	-	-

CWIP Ageing Schedule as on 31st March,2023

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	1,336.56	330.05	42.05	-	1,708.66
Projects temporaily suspended	-	-	-	-	-

Note 3(a): There are no projects whose completion is overdue or has exceeded its cost.

4. Goodwill and other Intangible assets

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Goodwill (Refer Note 4(B)	Computer software
Gross carrying value		
As at 1st April, 2023	408.80	191.04
Additions	-	6.66
Impairment	408.80	-

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

As at 31st March, 2024

(₹ in Lakhs)

Particulars	Goodwill (Refer Note 4(B)	Computer software
As at 31st March, 2024	-	197.70
Amortisation		
As at 1st April, 2023	-	130.40
Additions	-	21.05
Deletions	-	-
As at 31st March, 2024	-	151.45
Net Carrying amount		
As at 1st April, 2023	408.80	60.64
As at 31st March, 2024	-	46.25

As at 31st March, 2023

(₹ in Lakhs)

Particulars	Goodwill	Computer software
Gross carrying value		
As at 1st April, 2022	408.80	184.79
Additions	-	6.25
Deletions	-	-
As at 31st March, 2023	408.80	191.04
Amortisation		
As at 1st April, 2022	-	105.35
Additions	-	25.05
Deletions	-	-
As at 31st March, 2023	-	130.40
Net Carrying amount		
As at 1st April, 2022	408.80	79.44
As at 31st March, 2023	408.80	60.64

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

Note 4(A): Impairment of Goodwill

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less then the recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell.

For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Company at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. The Company generally uses discounted cash flow method to determine the recoverable amounts. These discounted cashflows use a 5 year projection based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Based on the said assessment, Impairment loss of ₹420.42 lakhs was identified in the Moulded Products segment during the year. Accordingly, the goodwill recognised of ₹408.80 relating to Moulded products division was fully impaired.

4(B). Right of use Assets

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Amount
Gross carrying value	
As at 1st April, 2023	93.74
Additions	-
Deletions	-
As at 31st March, 2024	**93.74**
Amortisation	
As at 1st April, 2023	26.04
Additions	31.25
Deletions	-
As at 31st March, 2024	**57.29**
Net Carrying amount	
As at 1st April, 2023	**67.70**
As at 31st March, 2024	**36.45**

As at 31st March, 2023 (₹ in Lakhs)

Particulars	Amount
Gross carrying value	
As at 1st April, 2022	-
Additions	93.74

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

As at 31st March, 2023 (₹ in Lakhs)

Particulars	Amount
Deletions	-
As at 31st March, 2023	93.74
Amortisation	
As at 1st April, 2022	-
Additions	26.04
Deletions	-
As at 31st March, 2023	26.04
Net Carrying amount	
As at 1st April, 2022	-
As at 31st March, 2023	67.70

5. Intangible assets under Development

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Computer software
Gross carrying value	
As at 1st April, 2023	14.25
Additions	-
Deletions	-
As at 31st March, 2024	14.25

As at 31st March, 2023 (₹ in Lakhs)

Particulars	Computer software
Gross carrying value	
As at 1st April, 2022	-
Additions	14.25
Deletions	-
As at 31st March, 2023	14.25

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

5. Intangible assets under Development *Contd.*

Intangible Asset under Development Ageing Schedule as on 31st March,2024

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporaily suspended	-	14.25	-	-	14.25

Note 5(a): There are no Intangible assets under development whose completion is overdue or has exceeded its cost.

Intangible Asset under Development Ageing Schedule as on 31st March,2023

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	14.25	-	-	-	14.25
Projects temporaily suspended	-	-	-	-	-

Note 5(a): There are no Intangible assets under development whose completion is overdue or has exceeded its cost.

6(A) Non - Current Investment in Subsidiaries

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in subsidiary companies (at cost) - Unquoted		
50,000 (P.Y.: 50,000) Equity shares of $ 10 each of Pakka Inc., USA (Fully paid up)	376.02	376.02
20,00,000 shares (PY :19,50,000) shares of ₹10 each of Pakka Impact Limited (Fully paid up)	200.00	195.00
3,00,000 (PY: 3,00,000) shares of SGD 1 each of Pakka Pte Limited, Singapore (Fully paid up)	172.74	172.74
Less: Provision for Impairment of investment in Pakka Pte Limited	(172.74)	-
Total	576.02	743.76
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	748.76	743.76
Aggregate amount of impairment in value of investments	172.74	-

Impairment of Investment in subsidiary Pakka Pte Limited :

Following a comprehensive assessment of financial performance over the past two years and future projections of Pakka Pte Limited., it has been determined that the investment in its subsidiary, Pakka Pte Limited, totalling INR 172.74 Lakhs as of March 31, 2023, and 2024, is not expected to yield returns for shareholders. Pakka Pte Limited has incurred significant losses in recent financial periods with no anticipated improvement in the foreseeable future. Projections of future cash earnings indicate negative prospects for this subsidiary.

Consequently, the investment in Pakka Pte Limited amounting to INR 172.74 Lakhs has been fully impaired.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

6(B). Non - Current Investments in Equity Shares

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments at fair value through profit and loss (FVTPL)		
Investment in equity shares (quoted, fully-paid up)		
500 (P.Y.: 500) equity shares of ₹2/- each of AMJ Land Holdings Limited	0.17	0.11
100 (P.Y.: 100) equity shares of ₹10/- each of Rana Mohendra Papers Limited [₹380 (P.Y. ₹380)]	-	-
100 (P.Y.: 100) equity shares of ₹10/- each of Mukerian Papers Limited	0.01	0.01
100 (P.Y.: 100) equity shares of ₹10/- each of Shree Rama Newsprint & Papers Limited	0.01	0.02
Total	0.19	0.14
Aggregate amount of quoted investments and market value thereof	0.19	0.14
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

6(C) Current Investments in Mutual Funds

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments at fair value through profit and loss		
Investment in Mututal Funds (quoted)		
841960.03 units (P.Y 841960.03 units) of SBI Corporate Bond Fund-Regular Plan Growth	117.90	110.00
Total	117.90	110.00
Aggregate amount of quoted investments and market value thereof	117.90	110.00
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

7. Other non current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advance (Refer Note 47 for Commitments)	1,397.39	150.70
Deferred Revenue from EPCG licenses	-	15.61
Prepaid Expenses	6.69	15.15
Others*	30.04	29.97
Total	1,434.12	211.43

**Includes amounts due from related party of ₹9.17 lakhs (P.Y. : ₹9.11 lakhs)*

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

8. Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
At lower of cost and net realizable value		
Raw Materials	5,830.42	5,395.45
Work in Progress	123.78	62.54
Finished Goods	1,851.61	743.04
Traded goods	94.57	193.92
Pulp	3.40	-
Store and Spares	3,200.42	3,360.10
Scrap	9.85	13.57
Acquisition through business combination (Refer Note 41)		-
Total	**11,114.05**	**9,768.62**

(i) The method of valuation of inventory has been stated in Note 1.2.7

(ii) Inventories have been given to Lenders as security for borrowings (Refer Note 17)

9. Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured	-	-
Considered good - unsecured*	3,978.12	2,373.40
With significant increase in credit risk	116.91	175.59
Credit impaired	-	-
Acquisition through business combination (Refer Note 43)	-	-
Less: Provision for Expected Credit Loss	(93.77)	(105.18)
Total	**4,001.26**	**2,443.81**

** includes ₹87.19 lakhs (P.Y. ₹12.44 lakhs) receivable from related parties. (Refer note 38)*

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

9. Trade Receivables *Contd.*

As at 31st March 2024

(₹ in Lakhs)

Particulars	Not Due	less than 6 Months	6 Months to 1 years	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade Receivables- Considered Good	2937.34	961.84	38.06	0.25	-	40.63	3,978.12
Undisputed Trade Receivables- Which Have Significant Risk		-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired		-	-	-	-	-	-
Disputed Trade Receivables- Considered Good		-	-	-	-	-	-
Disputed Trade Receivables- Which Have Significant Risk		-	-	-	-	116.91	116.91
Disputed Trade Receivables- Credit Impaired		-	-	-	-	-	-
Total	2937.34	961.84	38.06	0.25	-	157.54	4,095.03
Less: Provision for Expected Credit Loss	-	-		(0.01)	-	(93.76)	(93.77)
Total (Net)	**2,937.34**	**961.84**	**38.06**	**0.24**	**-**	**63.78**	**4,001.26**

As at 31st March 2023

(₹ in Lakhs)

Particulars	Not Due	less than 6 Months	6 Months to 1 years	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade Receivables- Considered Good	1,950.16	391.13	14.85	1.51	15.75	43.63	2,417.03
Undisputed Trade Receivables- Which Have Significant Risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which Have Significant Risk	-	-	-	-	-	131.96	131.96
Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-	-
Total	1950.16	391.13	14.85	1.51	15.75	175.59	2,548.99
Less: Provision for Expected Credit Loss	-	-		(0.08)	(1.57)	(103.53)	(105.18)
Total (Net)	**1,950.16**	**391.13**	**14.85**	**1.43**	**14.18**	**72.06**	**2,443.81**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

9. Trade Receivables *Contd.*

9.1 Following are the details for the trade receivables whose credit risk has been assessed individually

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Assessed credit risk on an individual basis	97.60	112.65
Less: Loss allowance on above	(48.80)	(56.32)
Total	48.80	56.33

9.2 The agreed divisional payment terms are : (i) Paper & Pulp - Domestic Sale 20 days, Export Sale 30-90 days. (ii) Moulded - 30 days.

Refer Note 39 (a) & (b) for information about credit risk and market risk of trade receivables.

10. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks in current accounts	5,342.93	68.80
Cash in hand	11.20	9.17
Acquisition through business combination (Refer Note 43)		
Total	5,354.13	77.97

Included in Bank Balances Amount of 51.69 Lakhs representing Bank Balances aquired from Yash Compostables Limited.

11A. Other Financial Assets

Non Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Bank deposits with more than 12 months maturity		
Margin money deposits (restricted, held as lien against bank guarantees)	7.73	7.33
Total	7.73	7.33

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

11B. Bank balances other than cash and cash equivalents

Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid dividend account	46.35	41.07
Margin money deposits (restricted, held as lien against bank guarantees)	1,443.57	556.08
Total	1,489.92	597.15

12A. Loans

Non Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured		
Considered good - unsecured		
Loans to Subsidiaries	2,712.58	633.46
Loans to Employees	97.21	3.36
With significant increase in credit risk		
Credit impaired		
Less: Loss allowance		
Total	2,809.79	636.82

(1) During the Year, the company has extended the tenure of loans given to subsidiaries and the said loans are repayable along with accrued interest thereon by 31st March 2028. The Loans to subsidiaries for the Year FY 2022-23 have been reclassified as non current to make it comparable to current year.

(2) Refer note 38 for related parties

(3) Loans to employees are repayable within 36 monthly instalments as per company policy.

12A.(I). Loans or advances in nature of loans to Related Parties

(₹ in Lakhs)

Particulars	For the year ending 31st March 2024		For the year ending 31st March 2023	
	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 - Subsidiaries (including accrued interest thereon)	2,712.58	97%	633.46	99%

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

12B. Loans

Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured		
Considered good - unsecured		
Loans to Subsidiaries	-	-
Loans to Employees	133.59	41.08
With significant increase in credit risk		
Credit impaired		
Less: Loss allowance		
Total	133.59	41.08

12B (I). Loans or advances in nature of loans to Related Parties

(₹ in Lakhs)

Particulars	For the year ending 31st March 2024		For the year ending 31st March 2023	
	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	5.00	4%	-	-
Related Parties - Subsidiaries (including accrued interest thereon)	-		-	-

13. Other financial assets - current

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due	22.33	11.15
Export incentives receivable	67.46	62.93
Security Deposits	63.66	67.95
Total	153.45	142.03

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

14. Other current assets *Contd.*

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances to vendors	640.34	1,020.74
Indirect Taxes recoverable	446.95	417.36
Expenses paid in advance	132.00	115.26
Others	128.05	45.13
Acquisition through business combination (Refer Note 43)	-	-
Total	**1,347.34**	**1,598.49**

15. Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised equity share capital		
Equity shares		
5,60,00,000 (P.Y. : 5,60,00,000) Equity shares of ₹10/- each	5,600.00	5,600.00
Preference shares		
4,00,000 (P.Y. : 4,00,000) Preference shares of ₹100/- each	400.00	400.00
Total	**6,000.00**	**6,000.00**
Issued, subscribed and fully paid up		
Equity shares		
3,91,68,100 (P.Y. : 3,80,78,500) Equity shares of ₹10/- each	3,916.81	3,807.85
Total	**3,916.81**	**3,807.85**

(i) Movements in equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	No. of shares	No. of shares
Opening Balance	**3,80,78,500**	**3,80,78,500**
Issued during the year	10,89,600	-
Closing Balance	**3,91,68,100**	**3,80,78,500**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

15. Equity share capital *Contd.*

(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:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	No. of shares	No. of shares
Ved Krishna	1,38,44,388	1,38,44,388
% of Share	35.35%	36.36%
Satori Global Limited	33,34,500	33,34,500
% of Share	8.51%	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 received in cash

(b) No bonus shares have been allotted

(c) No shares have been bought back

(v) Number of shares held by Promoters

(₹ in Lakhs)

Name of Promoters	No of shares held at the end of the year 31st March 2024		No of shares held at the end of the year 31st March 2023	
	No of shares	% of total shares	No of shares	% of total shares
Mr. Ved Krishna	1,38,44,388	35.35%	1,38,44,388	36.36%
Satori Global Limited	33,34,500	8.51%	33,34,500	8.76%
Yash Agro Products Limited	9,68,640	2.47%	9,68,640	2.54%
Mrs. Manjula Jhunjhunwala	5,56,743	1.42%	5,56,743	1.45%
Krishna kumar Jhunjhunwala (HUF)	16,000	0.04%	16,000	0.04%

(vi) During the year the Company has allotted 10,89,600 equity shares at ₹82.21 per equity share upon exercise of share options vested in terms of TSOP -2021 plan.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

16. Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve	37.32	37.32
Securities Premium	2,374.53	1,172.16
Employees Share Base payment Reserve	140.24	227.15
General Reserve	550.00	550.00
Retained Earnings	19,619.31	15,692.41
Other Comprehensive Income	(169.42)	(138.60)
Total	**22,551.98**	**17,540.44**

16.1 The movement in other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve		
Balance at the beginning of the year	37.32	37.32
Add: transferred during the year	-	-
Balance at the end of the year	**37.32**	**37.32**
Securities Premium		
Balance at the beginning of the year	1,172.16	1,172.16
Add: Received during the year (on issue of shares upon exercise of share options vested in terms of TSOP- 2021 Plan)	786.79	-
Add: transferred during the year	415.58	
Balance at the end of the year	**2,374.53**	**1,172.16**
Employees Share Base payment Reserve		
Balance at the beginning of the year	227.15	-
Add: Addition during the year	328.67	227.15
Add: transferred during the year	(415.58)	-
Balance at the end of the year	**140.24**	**227.15**
General Reserve		
Balance at the beginning of the year	550.00	550.00
Add: transferred during the year	-	-
Balance at the end of the year	**550.00**	**550.00**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

16.1 The movement in other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings		
Balance at the beginning of the year	15,692.41	11,307.74
Add: Profit for the year	4,866.93	5,146.24
Less: Dividend paid	(940.03)	(761.57)
Balance at the end of the year	**19,619.31**	**15,692.41**
Other Comprehensive Income		
Balance at the beginning of the year	(138.60)	(111.57)
Add: for the year	(30.82)	(27.03)
Balance at the end of the year	**(169.42)**	**(138.60)**

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 is used to record premium received on issue of shares. This reserve will be utilized in accordance with the provisions of the Act.

Employees Share Base payment Reserve : Represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

General Reserve: General reserve represents free reserves of the Company created through transfer of profits from retained earnings.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Dividend on equity shares declared and paid*		
Final dividend for the year ended 31st March 2023 ₹2.40 per share (P.Y.: ₹2/- per share)	940.03	761.57
Total	940.03	761.57
Proposed dividend on equity shares		
Final dividend proposed for the year ended 31st March 2024 ₹NIL per share (P.Y.: ₹2.40 per share)	-	913.88
Total	-	913.88

**Including amount of ₹26.15 lakhs paid against shares allotted under TSOP 2021 before record date.*

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

17A. Borrowings

Long term borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term loans from banks (Refer note a)	459.24	1,296.10
Loans from Non banking Finance Companies (Refer note b)	9,596.56	-
Loan from Government Financial Institution (PIC UP) (Refer note c)	479.07	482.10
Unsecured		
From related parties (Refer note 38)	423.70	401.12
Total	**10,958.57**	**2,179.32**

Terms of repayment and security:

(a) Term Loans from Banks

The loans are repayable within 6 number of quarterly installments and the interest is payable at 1 Year MCLR + 2.15% and 6 Month MCLR + 2.25%.

The said loans are secured by

i. First pari-passu charge by given of all Immovable Properties and property, plant and equipment both present and future of the company [including equitable mortgage of land & building]

ii. Second pari passu charge on entire current assets (present and future) of the company with second 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.

(b) Loans from Non Banking Finance Company

The loans are repayable within 20 & 15 structured quartely installments and the interest is payable at 10.50% per annum & 9.75% per annum respectively The said loans are secured by:

i. First pari-passu charge by given of all Immovable Properties and property, plant and equipment both present and future of the company [including equitable mortgage of land & building]

ii. Second pari passu charge on entire current assets (present and future) of the company with second 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 . The company shall be registering the due charges against this loan as provided for and required by the statutory / regulatory authorities.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

17A. Borrowings *Contd.*

c) **Loan from Pradeshiya Industrial & Investment Corporation of UP Limited (PICUP)**

The above loans are interest free, repayable in the FY 2027-28 and are secured by bank guarantee.

During the year, the tenure of two loans out of total of four loan availed from Pic UP due for repayment in FY 2024-25 was extended and the said loans are now repayable in FY 2027-28 and the resultant impact of ₹18.06 lakhs has been recognized in the Statement of Profit and Loss.

The Company is in the process of completing certain procedural formalities in this respect.

d) **Loan from related parties are repayable after term loans from banks are repaid.**

17B. Borrowings

Short term borrowings

(₹ in Lakhs)

Particulars	wAs at 31st March, 2024	As at 31st March, 2023
Secured		
Working capital loans from banks	6,039.91	7,404.31
Current Maturities of long term borrowings	1,167.40	736.24
Total	7,207.31	8,140.55

17.1. Repayment terms:

a) Borrowing Secured Against Current Assets

As at 31st March 2024

(₹ 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-23	Inventory	9,215.84	9,215.84	-	-
		Receivable upto 6 Month	1,944.15	1,944.15	-	-
	30-Sep-23	Inventory	6,368.97	6,368.97	-	-
		Receivable upto 6 Month	2,809.06	2,809.06	-	-
	31-Dec-23	Inventory	6,987.43	6,987.43	-	-
		Receivable upto 6 Month	3,569.66	3,569.66	-	-
	31-Mar-24	Inventory	11,114.05	11,114.05	-	-
		Receivable upto 6 Month	3,805.41	3,805.41	-	-

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

As at 31st March 2023

(₹ 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-23	Inventory	8,344.24	8,344.24	-	-
		Receivable upto 6 Month	1,993.61	1,993.61	-	-
	30-Sep-23	Inventory	6,554.84	6,554.84	-	-
		Receivable upto 6 Month	2,269.82	2,269.82	-	-
	31-Dec-23	Inventory	6,612.53	6,612.53	-	-
		Receivable upto 6 Month	2,395.77	2,395.77	-	-
	31-Mar-24	Inventory	9,768.62	9,768.62	-	-
		Receivable upto 6 Month	2,236.10	2,236.10	-	-

e) Scheduled repayments (Contractual repayments)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within one year	7,207.31	8,140.55
Between one to five years*	10,595.87	2,245.15
Over five years*	200.00	152.07

**The above excludes Ind AS adjustments*

Refer note 39 (b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.

f) Term Loan and working capital loans availed from Banks, NBFCs & Government Financial Institution have been utilised for the purpose, for which they have been raised.

18A. Lease Liabilities

Non Current Liabilities- Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	5.98	39.82
Total	**5.98**	**39.82**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

18B. Lease Liabilities

Current Liabilities- Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	33.84	30.63
Total	33.84	30.63

19. Other Financial Libilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits from customers	430.50	337.50
Total	430.50	337.50

20. Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of PPE	2,627.96	2,448.06
Tax effect of items constituting deferred tax liability	2,627.96	2,448.06
Tax effect of items constituting deferred tax assets		
Provision on employee benefits	208.42	205.77
Provision for Share Based Payment	40.84	66.15
Others	(96.57)	(212.37)
Acquisition through business combination	36.05	36.05
Tax effect of items constituting deferred tax assets	188.74	95.60
Total	2,439.22	2,352.46

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

21. Other non current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Revenue:		
Capital Subsidy	24.00	28.00
Loan from Government Financial Institution (PIC UP)	149.76	128.75
EPCG obligation	44.23	-
Total	**217.99**	**156.75**

22. Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade payables:		
- Dues to micro and small enterprises	305.30	286.96
- Other than micro and small enterprises*	934.11	598.74
Total	**1,239.41**	**885.70**

** includes ₹8.69 lakhs (P.Y. ₹4.69 lakhs) payable to related parties (Refer note 38)*

22.1 Disclosure under Section 22 of Micro, Small and Medium enterprises development (MSMED Act, 2006)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Principal amount due and remaining unpaid	305.30	286.96
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	-	-
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 Standalone Financial Statements for the year ended 31 March, 2024

Under the Mirco, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company's management, dues to MSME have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the Statutory Auditors. The Management has not provided for interest due (if any) to these MSME parties basis, no claim being made for the same and management representation that the same would be waived. The disclosures as required by Section 22 of the MSMED Act are given above.

22.2 Trade payables

For the year ended 31st March 2024 (₹ 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	305.30					305.30
Others	753.66	180.45	-	-	-	934.11
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**1,058.96**	**180.45**	**-**	**-**	**-**	**1,239.41**

For the year ended 31st March 2023 (₹ 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	305.30					305.30
Others	753.66	180.45	-	-	-	934.11
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**1,058.96**	**180.45**	**-**	**-**	**-**	**1,239.41**

23. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on borrowings*	19.48	12.50
Total	**19.48**	**12.50**

**Includes Interest payable to related party ₹16.60 lakhs. (P.Y. ₹12.50 lakhs). Refer note 38.*

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

24. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current maturities on deferred revenue on capital subsidy	4.00	4.00
Advance from customers	220.09	352.36
Statutory liabilities	417.19	447.81
Payable on capital goods	311.76	98.40
Unpaid dividend	47.73	42.45
Others	503.84	548.10
Total	1,504.61	1,493.12

25A. Provisions

Non Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Leave Encashment	5.50	3.60
Total	5.50	3.60

25B. Provisions

Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Gratuity (Refer note 37)	63.15	141.77
Provision for Leave Encashment	98.12	77.01
Provision for Bonus	548.98	484.25
Total	710.25	703.03

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

26. Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Taxes paid (Net of taxes paid in advance)	520.72	139.39
Total	520.72	139.39

27. Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Products		
Paper, Pulp and related products		
Within India	24,966.33	25,787.07
Outside India	10,045.29	9,762.32
Moulded Products		
Within India*	5,300.32	5,224.15
Outside India	162.35	57.28
Total	40,474.29	40,830.82

**Refer note 38 for sale to Related parties*

28. Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest received on fixed deposit and others	121.26	133.38
Interest on loans given to subsidiaries	135.99	19.93
Export incentives*	231.11	586.38
Subsidy received **	161.47	-
Investments measured at FVTPL	7.96	-
Gain on sale of property, plant and equipment	44.87	39.62

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

28. Other Income *Contd*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Excess provision for expenses in earlier years written back	11.42	-
Net Gain on foreign currency translation	118.41	167.42
Miscellaneous income	165.78	211.74
Total	**998.27**	**1,158.47**

**₹ Nil (P.Y. ₹364.91 lakh) has been recognised against the fulfilment of export obligation under EPCG scheme.*

***During the year, the Company received an Interest subsidy of ₹161.47 lakhs (net of administrative charges) from the Government of Uttar Pradesh under the MSME 2017 policy.*

29. Cost of Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw materials	9,493.68	8,869.55
Chemicals	3,339.80	3,766.56
Stores & spares	2,000.83	1,914.90
Packing materials	745.92	851.17
Total	**15,580.23**	**15,402.18**

30. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Stock		
Finished Goods*	743.04	982.92
Pulp	-	1.45
Work in Progress	62.54	41.02
Total Opening Stock	**805.58**	**1,025.39**
Closing Stock		
Finished Goods*	1,851.61	743.04

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

30. Changes in inventories of finished goods, stock-in-trade and work-in-progress *Contd*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Pulp	3.40	-
Work in Progress	123.78	62.54
Total Closing Stock	**1,978.79**	**805.58**
Total	**(1,173.21)**	**219.81**

**Includes Kraft paper, poster paper and moulded products.*

31. Employee Benefit Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salary, wages, bonus and incentives	3,380.57	3,306.45
Directors remuneration*	267.44	281.84
Contribution to provident and other funds	135.59	127.42
Share Based Payment	328.67	227.15
Defined benefit plan expenses	77.90	66.45
Workmen and staff welfare expenses	267.37	227.14
Total	**4,457.54**	**4,236.45**

**Refer note 38 for payments made to Related parties*

32. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on		
- Term loan	260.87	335.03
- Others	512.23	549.59
Net loss on foreign currency translation and transactions	-	112.74
Bank and documentation charges	123.70	115.55
Total	**896.80**	**1,112.91**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

33. Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on property, plant and equipment	1,343.10	1,221.69
Amortisation on intangible assets & ROU Assets	52.30	51.10
Total	**1,395.40**	**1,272.79**

34. Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Operating Expenses		
Power and Fuel	6,858.01	6,767.02
Contractor Wages	756.92	555.66
Effluent Treatment Expenses	113.89	119.55
Repairs and Maintenance		
- Building	166.66	114.18
- Machinery	495.93	428.55
- Others	214.32	254.83
Freight, Handling and Other Sales and Distribution expenses	1,466.67	1,706.30
Commission on sales	346.30	265.80
Others		
Rent	51.88	45.32
Insurance	144.38	110.86
Travelling and Conveyance	328.19	366.76
Legal professional and consultation charges	289.76	438.80
Auditor's Remuneration (refer note below)	21.07	14.71
Subscription and Donation	128.75	61.90
Amortisation of deferred income on EPCG license	15.61	20.82
Research and development expenses	52.49	44.31
Printing and Stationery	28.24	29.47

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

34. Other Expenses *Contd*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Communication cost	29.75	34.68
Advertisement and Publicity	21.81	18.66
Business Promotion Expenses	186.19	149.17
Loss on Assets Sold / Discarded/scrapped	0.43	91.05
Loss on sale of export incentives	2.27	8.94
Exchange Fluctuation (net)	-	-
Fair valuation of investments	-	0.05
Provision for impairment of Goodwill (Refer Note 4B)	408.80	-
Provision for impairment of Investment (Refer Note 6A)	172.74	
Manglam Farm Expenses	21.90	27.52
Provision for doubtful receivables and others	72.17	57.73
CSR Expenditure (Refer Note 46)	58.50	137.75
Miscellaneous Expenses	113.46	65.34
Total	**12,567.09**	**11,935.73**

Note 34a:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
As Auditors:		
For Audit Fees	9.50	7.50
For Limited Review	5.25	4.50
For certification	3.10	2.25
For Reimbursement of Expenses	3.22	0.46
Total	**21.07**	**14.71**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

35. Tax Expenses

(a) Amounts recognized in profit and loss

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax expense		
Current year	2,295.40	1,434.61
Changes in estimates relating to prior years	2.36	0.00
Total	2,297.76	1,434.61
Deferred tax expense		
Origination and reversal of temporary differences	99.43	650.32
Total	99.43	650.32
Tax expense recognized in the income statement	2,397.19	2,084.93

(b) Amounts recognized in other comprehensive income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(43.48)	12.66	(30.82)	(38.13)	11.10	(27.03)
	(43.48)	12.66	(30.82)	(38.13)	11.10	(27.03)

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amount	%	Amount
Profit before tax		7,264.12		7,231.17
Tax using the Company's domestic tax rate	29.12%	2,115.31	29.12%	2,105.72
Tax effect of:				
Due to permanent differences	-5.71%	(414.60)	-3.32%	(240.37)

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

35. Tax Expenses *Contd*

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amount	%	Amount
Ind AS adjustments	5.42%	393.61	5.56%	401.82
Other Comprehensive Income	0.17%	12.66	0.15%	11.10
Due to temporary differences	3.79%	275.19	-2.67%	(193.33)
Effective income tax rate	**32.79%**	**2,382.17**	**28.83%**	**2,084.93**

(d) Movement in deferred tax

(₹ in Lakhs)

Particulars	As at 31st March, 2024					
	Net balance 1st April, 2023	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax (Asset)/Liabilities						
On difference between book balance and tax balance of PPE	2,448.06	179.90	-	2,627.96	-	2,627.96
Provision on employee benefits	(205.77)	(15.31)	12.66	(208.42)	208.42	-
Provision for Share Based Payment	(66.15)	25.31	-	(40.84)	40.84	-
Others	212.37	(115.80)	-	96.57	-	96.57
Acquisition through business combination	(36.05)	0.00		(36.05)	36.05	
Tax assets (Liabilities) (Net)	**2,352.46**	**74.10**	**12.66**	**2,439.22**	**285.31**	**2,724.53**

(₹ in Lakhs)

Particulars	As at 31st March, 2023					
	Net balance April 1, 2022	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax (Asset)/Liabilities						
On difference between book balance and tax balance of PPE	2,395.04	53.02	-	2,448.06	-	2,448.06
Provision on employee benefits	(139.38)	(77.49)	11.10	(205.77)	205.77	-
Provision for Share Based Payment	(665.32)	665.32	-	0.00	-	-
Others	0.00	(66.15)	-	(66.15)	66.15	-
Acquisition through business combination	158.92	53.45	-	212.37	-	212.37
Tax assets (Liabilities) (Net)	**(36.05)**		**-**	**(36.05)**	**36.05**	

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

36. Earnings per share

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Basic Earnings per share		
Profit for the year	4,866.93	5,146.24
Weighted average number of equity shares outstanding	3,87,09,634	3,80,78,500
Basic EPS	**12.57**	**13.51**
Diluted Earnings per share		
Profit for the year	4,866.93	5,146.24
Weighted average number of equity shares outstanding	3,87,09,634	3,80,78,500
Add: Weighted average number of potential equity shares on account of employee stock options	2,62,829	1,97,265
Weighted average number of equity shares outstanding for diluted EPS	3,89,72,463	3,82,75,765
Diluted EPS	**12.49**	**13.45**

37. Employee Benefit Disclosures

I. Defined Contribution plan

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 31)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employer's contribution to Provident Fund	103.94	105.07
Total	**103.94**	**105.07**

II. Defined benefit plans

A. Gratuity

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.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at 31st March, 2024 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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(A) Movements in net defined benefit (asset)/ liability

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Defined obligations at the beginning of the year	595.64	495.92
Current service cost	67.66	56.51
Interest cost	43.01	36.20
Past service costs	-	-
Benefits paid	(60.05)	(25.95)
Actuarial (gain)/loss		
- change in demographic assumptions	-	-
- change in financial assumptions	16.79	4.53
- experience variance	27.89	28.43
Defined benefit obligation as at end of the year	**690.94**	**595.64**

(B) Movements in the fair value of plan assets

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Fair value at beginning of the year	453.88	359.80
Investment income	32.76	26.27
Return on plan assets	1.20	(5.17)
Actual return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-
Contributions by the employer	200.00	98.93
Other adjustments		
Benefits paid	(60.05)	(25.95)
Fair value of plan assets as at end of the year	**627.79**	**453.88**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(C) Amount recognized in the balance sheet

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Present value of defined benefit obligation as at end of the year	690.94	595.64
Fair value of plan assets as at end of the year	627.79	453.88
As at year end	**(63.15)**	**(141.76)**

(D) Amounts recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Current service cost	67.66	56.51
Past service cost	-	-
Net interest income/ (cost) on the net defined benefit liability (Asset)	10.24	9.94
Total	**77.90**	**66.45**

(E) Amounts recognized in other comprehensive income

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Actuarial (gains) / losses due to :		
- change in demographic assumptions	-	-
- change in financial assumptions	16.79	4.53
- experience variance	27.89	28.43
Return on plan assets	(1.20)	5.17
Total	**43.48**	**38.13**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(F) Category of plan assets

The Company's plan assets in respect of gratuity are funded through gratuity scheme of LIC

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
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)	
	31-Mar-24	31-Mar-23
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:		
A. Discount Rate (- / + 1%)		
Discount Rate Increase	627.65	542.95
1. Effect due to 1% increase in discount rate	-9.16%	-8.85%
Discount Rate Decrease	765.46	657.64
2. Effect due to 1% decrease in discount rate	10.79%	10.41%
B. Salary Growth Rate		
Salary Growth Rate Increase	767.91	659.91
1. Effect due to 1% increase in discount rate	11.14%	10.79%
Salary Growth Rate Decrease	624.60	540.22
2. Effect due to 1% decrease in discount rate	-9.60%	-9.31%
C. Attrition Rate		
Attrition Rate Increase	701.97	606.41
1. Effect due to 50% increase in discount rate	1.60%	1.81%
Attrition Rate Decrease	678.37	583.41
2. Effect due to 50% decrease in discount rate	-1.82%	-2.05%
D. Mortality Rate		
Mortality Rate Increase	693.04	597.63
1. Effect due to 10% increase in discount rate	0.30%	0.33%
Mortality Rate Decrease	688.78	593.62
2. Effect due to 10% decrease in discount rate	-0.31%	-0.34%

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(H) The expected future cash flows as at 31st March, 2024 were as follows: (₹ in Lakhs)

Summary of Assets and Liabilities	Amount (₹ In lakhs)
31.03.2020	(58.87)
31.03.2021	(27.57)
31.03.2022	(136.12)
31.03.2023	(141.77)
31.03.2024	(63.15)

(I) Expected Cash flows over the next (₹ in Lakhs)

1 year	62.64
2 to 5 years	218.06
6 to 10 years	249.86
More than 10 years	1116.48

(J) Leave Encashment

i) 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 is available for encashment on separation from the Company up to a maximum of 30 days.

ii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

iii) Short term compensated absences have been provided on actual basis.

(K) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

L) General assumptions (₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Discount rate (per annum)	6.97%	7.22%
Withdrawal rate	2.00%	2.00%
Rate of increase in salaries	5.00%	5.00%

i) Mortality rates considered are as per the published rates in the India Assured Lives Mortality 2012-14 (P.Y. 2012-14): India Assured Lives Mortality (2006-08) (Modified) ULT.) mortality table.

ii) 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.

iii) The contribution made by the Company for funding its liabilities for gratuity during the financial year 2023-24 amounts to ₹200.00 lakhs (PY ₹98.93 Lakhs).

iv) 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.

v) The assumption of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion, supply and demand and other relevant factors.

38. Related party relationships, transactions and balances:

a) Name of Related Parties and nature of relationship

I. Wholly owned subsidiary

(i) Pakka Inc.

(ii) Pakka Pte Limited (with effect from 21st April,2022)

(iii) Pakka Impact Limited (97.50% up to 20th October 2023 and 100% thereafter)

ii. Key Managerial Personnel and relatives

1. Executive Directors

(a) Jagdeep Hira	Managing Director
(b) Gautam Ghosh (from 24.11.2023)	Executive Director
(c) Narendra Kumar Agrawal (upto 30.07.2022)	Director Works

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

2. Non - Executive Directors

(a) Ved Krishna	Non- Independent & Non- Executive Director
(b) Manjula Jhunjhunwala	Non- Independent & Non- Executive Director
(c) Kimberly Ann McArthur	Non- Independent & Non- Executive Director
(d) Pradeep Vasant Dhobale	Independent Director
(e) Indroneel Banerjee	Independent Director
(f) Atul Kumar Gupta	Independent Director
(g) Basant Kumar Khaitan	Independent Director
(h) Himanshu Kapoor (from 29.10.2022)	Non- Independent & Non- Executive Director
(i) Shubham Ashok Tibrewal (from 12.08.2023)	Independent Director
(j) Rahul Krantikumar Dharmadhikary (from 05.09.2023)	Independent Director

3. Other Key Management Personnel

(a) Neetika Suryawanshi (From 26.12.2022)	Chief Financial Officer
(b) Jignesh Shah (upto 24.11.2022)	Chief Financial Officer
(c) Sachin Kumar Srivastava (From 10.08.2022)	Company Secretary
(d) Bhavna Kodarbhai Patel (upto 30.07.2022)	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

(e) K. K. Jhunjhuwala HUF

(f) AMJ Land Holdings Limited

(g) WMW Metal Fabrics Limited

(h) Pudumjee Paper Products Limited.

(i) Kapoor Tandon & Company (from 29.10.2022 upto 31.03.2023)

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
INCOME			-					
Sales net of discount/incentives								
Pudumjee Paper Products Limited.	-	-	-	-	675.68	829.29	675.68	829.29
Gautam Ghosh	-	-	0.75	-	-	-	0.75	-
Pakka Impact Limited	4.85				-		4.85	-
Received from services and others								
Jingle Bell Nursery School Society	-	-	-	-	1.44	1.46	1.44	1.46
Pakka Foundation	-	-	-	-	0.01	-	0.01	-
Interest on unsecured loan								
Pakka Inc	92.40	15.92	-	-	-	-	92.40	15.92
Pakka Impact Limited	43.59	4.01	-	-	-	-	43.59	4.01
Interest on loan								
Jagdeep Hira	-	-	3.75	-	-	-	3.75	-
Rent received								
Yash Agro Products Limited	-	-	-	-	0.24	0.24	0.24	0.24
EXPENSES								
Purchases								
WMW Metal Fabrics Limited	-	-	-	-	64.37	99.98	64.37	99.98
Satori Global Limited	-	-			96.55	84.20	96.55	84.20
Loss/(gain) on investments measured at FVTPL	-	-						
AMJ Land Holdings Limited			-	-	0.06	0.05	0.06	0.05
Interest on unsecured loan								
Yash Agro Products Limited	-	-	-	-	24.00	24.99	24.00	24.99

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Donation paid								
Pakka Foundation	-	-	-	-	57.50	65.50	57.50	65.50
Jingle Bell Nursery School Society					-	33.00	-	33.00
Dividend Paid								
Ved Krishna	-	-	332.27	276.89	-	-	332.27	276.89
Manjula Jhunjhunwala	-	-	13.36	11.13	-	-	13.36	11.13
Jagdeep Hira	-	-	7.20	-	-	-	7.20	-
Sachin Kumar Srivastava	-	-	0.07	-	-	-	0.07	-
Satori Global Limited	-	-	-	-	80.03	66.69	80.03	66.69
Yash Agro Products Limited	-	-	-	-	23.25	19.37	23.25	19.37
K. K. Jhunjhunwala, HUF	-	-	-	-	0.38	0.32	0.38	0.32
Remuneration								
Ved Krishna	-	-	-	2.67	-	-	-	2.67
Jagdeep Hira	-	-	247.89	246.76	-	-	247.89	246.76
Narendra Kumar Agarwal	-	-	-	20.41	-	-	-	20.41
Gautam Ghosh	-	-	7.54	-	-	-	7.54	-
Neetika Suryawanshi			89.78	21.31			89.78	21.31
Jignesh Shah	-	-	-	48.83	-	-	-	48.83
Sachin Kumar Srivastava	-	-	31.98	19.49	-	-	31.98	19.49
Bhavna Kodarbhai Patel	-	-	-	6.79	-	-	-	6.79
Sitting Fees								
Manjula Jhunjhunwala	-	-	1.96	1.20	-	-	1.96	1.20
Kimberly Ann McArthur	-	-	2.91	2.10	-	-	2.91	2.10
Pradeep Vasant Dhobale	-	-	4.23	2.66	-	-	4.23	2.66
Atul Kumar Gupta	-	-	4.20	2.80	-	-	4.20	2.80

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Indroneel Banerjee	-	-	4.59	2.41	-	-	4.59	2.41
Basant Kumar Khaitan	-	-	3.69	2.36	-	-	3.69	2.36
Ved Krishna			4.80	1.75	-	-	4.80	1.75
Himanshu Kapoor			4.20	1.75	-	-	4.20	1.75
Shubham Ashok Tibrewal			2.80	-			2.80	-
Rahul Krantikumar Dharmadhikary			0.85	-			0.85	-
Consultancy Charges/Others								
Kapoor Tandon & Company					-	24.00	-	24.00
Pakka Pte Limited	-	2.11					-	2.11
Rent Paid								
Ved krishna	-	-	36.00	30.00	-	-	36.00	30.00
Pension								
Manjula Jhunjhunwala	-	-	12.00	12.00	-	-	12.00	12.00
OTHER TRANSACTIONS								
Salary Advance paid								
Sachin Kumar Srivastava			7.47				7.47	-
Jagdeep Hira			27.16				27.16	-
Salary Advance repaid								
Sachin Kumar Srivastava			2.47				2.47	-
Jagdeep Hira			27.16				27.16	-
Loans given								
Jagdeep Hira			219.47				219.47	-
Loans Repaid								
Jagdeep Hira			219.47				219.47	-

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Amount received on shares allotted pursuant to TSOP 2021								
Sachin Kumar Srivastava (3,000 shares)			2.47				2.47	-
Jagdeep Hira (3,00,000 shares)			246.63				246.63	-

c) Outstanding balances with related parties:

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Assets								
Investments								
AMJ Land Holdings Limited	-	-	-	-	0.17	0.11	0.17	0.11
Pakka Inc.	376.02	376.02					376.02	376.02
Pakka Pte Limited	172.74	172.74					172.74	172.74
Less Pakka Pte Limited - Impairment Provision	(172.74)	-					(172.74)	-
Pakka Impact Limited	200.00	195.00					200.00	195.00
Loan given (including accrued interest thereon)								
Pakka Inc.	1,944.06	427.64	-	-	-	-	1,944.06	427.64

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

c) Outstanding balances with related parties:

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Pakka Impact Limited	768.51	205.82					768.51	205.82
Advances Paid								
Sachin Kumar Srivastava			5.00	-			5.00	-
Receivable For Services/others								
Pakka Impact Limited	-	0.21					-	0.21
Jingle Bell Nursery School Society					0.02	0.07	0.02	0.07
Satori Global Limited					0.15		0.15	
Pakka Inc.	9.17	9.11					9.17	9.11
Trade Receivables								
Pudumjee Paper Products Limited.	-	-	-	-	86.63	12.44	86.63	12.44
Pakka Impact Limited	0.56	-			-		0.56	-
Liabilities								
Unsecured Loans								
Yash Agro Products Limited	-	-	-	-	240.00	240.00	240.00	240.00
Ved Krishna	-	-	208.00	208.00	-	-	208.00	208.00
Interest payable on unsecured loans								-
Yash Agro Products Limited	-	-	-	-	16.60	12.50	16.60	12.50
Payable For Services/others								
Pakka Pte Limited	2.25	2.11					2.25	2.11
Call in Arrear								
Pakka Pte Limited	-	30.88					-	30.88
Trade Payable								
WMW Metal Fabrics Limited					8.69	4.69	8.69	4.69

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

c) Outstanding balances with related parties:

(₹ in Lakhs)

Particulars	Subsidiaries		KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Guarantees								
Personal Gurantees								
Ved Krishna	-	-	35,864.00	15,864.00	-	-	35,864.00	15,864.00
Manjula Jhunjhunwala	-	-	35,864.00	15,864.00	-	-	35,864.00	15,864.00
Corporate Guarantees								
Satori Global Limited	-	-	-	-	35,864.00	15,864.00	35,864.00	15,864.00
Yash Agro Products Limited	-	-	-	-	35,864.00	15,864.00	35,864.00	15,864.00

d) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The transactions with related parties are made in the ordinary course of business. No provisions are held against receivables from related parties.Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

e) Other Notes

No amount has been written off/back or provision made for loss allowance during the year in respect of related parties except as disclosed above.

39. 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.

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:

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Debt	18,165.88	10,319.87
Less: Cash and cash equivalent including short term deposits (restricted)	6,844.05	675.12
Net debt (A)	**11,321.83**	**9,644.75**
Total equity (B)	**26,468.79**	**21,348.29**
Debt Equity Ratio (A/B)	**0.43**	**0.45**

(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 have been used to estimate the fair values of financial instruments:

a) 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.

b) 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)

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.

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial Assets				
Financial assets measured at fair value				
Investments measured at FVTPL	-	0.19	-	0.14
Investments in Mutual fund	-	117.90	-	110.00
Financial assets measured at amortized cost				
Loans	2,943.38	-	41.08	-
Trade Receivables	4,001.26	-	2,443.81	-

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Cash and cash equivalents	5,354.13	-	77.97	-
Bank balances other than cash and cash equivalents	1,489.92	-	597.15	-
Other financial assets	161.18	-	149.36	-
Total	**13,949.87**	**118.09**	**3,309.37**	**110.14**
Financial Liabilities				
Financial liabilities measured at amortized cost				
Borrowings	18,165.88	-	10,319.87	-
Lease Liability	39.82		70.45	
Trade and other payables	1,239.41	-	885.70	-
Other financial liabilities	449.98	-	350.00	-
Total	**19,895.09**	**-**	**11,626.02**	**-**

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).

(₹ in Lakhs)

Particulars	Level 1	Level 1	Level 1	Total
As at 31st March, 2024				
Assets at fair value				
Investments measured at FVTPL	118.09	-	-	118.09
As at 31st March, 2023				
Assets at fair value				
Investments measured at FVTPL	110.14	-	-	110.14

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(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 the agreed divisional payment terms are : (i) Paper & Pulp - Domestic Sale 20 days, Export Sale 30-90 days. (ii) Moulded - 30 days. 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, 2024, the Company's top three customers accounted for ₹1082.53 lakhs of the trade and other receivables carrying amount (P.Y. : ₹1150.27 lakhs).

Expected credit loss assessment for customers:

The following table provides information about the exposure to credit risk and ECLs for trade receivables :

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Gross carrying amount	Weighed average loss rate - range	Loss allowance
0 to 1 year	3,937.10	0%	-
1 to 2 years	0.25	5%	0.01
2 to 3 years	-	10%	-
3years and above	59.94	75%	44.96
Specific provision	97.60	50%	48.80
Total	**4,094.89**		**93.77**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

As at 31st March, 2023

(₹ in Lakhs)

Particulars	Gross carrying amount	Weighed average loss rate - range	Loss allowance
0 to 1 year	2,356.14	0%	-
1 to 2 years	1.51	5%	0.08
2 to 3 years	15.75	10%	1.58
3years and above	62.95	75%	47.20
Specific provision	112.65	50%	56.32
Total	**2,549.00**		**105.18**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	**105.18**	**94.91**
Add: Provision made / (reverse) during the year	(11.41)	10.27
Balance at the end of the year	**93.77**	**105.18**

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 ₹5354.13 lakhs at 31st March, 2024 (P.Y.: ₹77.97 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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(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 :

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	1,161.06	145.82	175.60	142.86
Euro	-	-	41.47	-
AED	-	-	-	-
Total	**1,161.06**	**145.82**	**217.07**	**142.86**

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.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Impact on profit before tax		
USD	50.76	1.64
Euro	-	2.07
AED	-	-
Total	**50.76**	**3.71**

(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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

Interest rate sensitivity analysis :

As at 31st March, 2024 and 2023, financial liability of ₹7356.55 Lakhs and ₹9436.65 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 ₹18.39 lakhs and ₹23.59 lakhs for the year ended 31st March, 2024 and 2023, 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.

Liquidity table :

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in Lakhs)

Contractual maturities of financial liabilities 31st March 2024	As at 31st March, 2024			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	7,207.31	10,595.87	200.00	18,003.18
Trade and other payables	1,239.41	-	-	1,239.41
Lease liability	2.15	0.03	-	2.18
Total financial liabilities	**8,448.87**	**10,595.90**	**200.00**	**19,244.77**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Contractual maturities of financial liabilities 31st March 2023	As at 31st March, 2023			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	8,140.55	2,245.15	152.07	10,537.77
Trade and other payables	885.70	-	-	885.70
Lease liability	5.37	2.18	-	7.55
Total financial liabilities	**9,031.62**	**2,247.33**	**152.07**	**11,431.02**

(IV) **Other price risk:**

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2024. 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.

40. 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 the Managing Director.

The measurement principles of segments are consistent with those used in Material Accounting Policies.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

40. Segmental Information *Contd*

Contractual maturities of financial liabilities

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Paper	Moulded Product	Total	Paper	Moulded Product	Total
REVENUE	35,846.68	5,625.88	41,472.56	36,706.91	5,282.38	41,989.29
Unallocable Revenue	-	-	-	-	-	-
TOTAL REVENUE	35,846.68	5,625.88	41,472.56	36,706.91	5,282.38	41,989.29
RESULTS						
Profit/ loss before interest	7,297.68	468.69	7,766.37	8,957.41	(459.40)	8,498.01
Less: interest	(608.03)	(288.76)	(896.79)	(784.97)	(327.93)	(,112.90)
Unallocable Expenses	-	-	394.54	-	-	(153.94)
Total profit before tax	6,689.65	179.93	7,264.12	8,172.44	(787.33)	7,231.17
Provision for taxation			2,397.19			2,084.93
Net Profit	6,689.65	179.93	4,866.93	8,172.44	(787.33)	5,146.24
Other information						
Assets	50,911.09	804.73	51,715.82	35,535.65	2,073.20	37,608.85
Unallocable Assets	-	-	46.35	-	-	213.81
Liabilities	19,583.18	2,083.30	21,666.48	9,656.11	3,531.69	13,187.80
Unallocable Liabilities	-	-	3,626.90	-	-	3,286.57

Additional Information by Geographies

Although the Company's operations are managed by product area, we provide additional information based on geographies.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue by geographical market		
Within India	30,266.65	31,011.22
Outside India	10,207.64	9,819.60
Total	40,474.29	40,830.82

All non current assets of the Company are located in India.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

40. Segmental Information *Contd*

Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Paper, pulp and other products	35,011.62	35,549.39
Total	**35,011.62**	**35,549.39**

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.

41. 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, 2024	31st March, 2023
Types of Goods		
Paper	29,674.37	29,520.32
Pulp	4,370.27	5,180.61
Egg Tray	537.37	432.80
Baggasse Pith Pallets	429.61	415.66
Moulded products	5,462.67	5,281.43
Total	**40,474.29**	**40,830.82**
Sales by Geographical location		
India	30,266.65	31,011.22
Outside India	10,207.64	9,819.60
Total	**40,474.29**	**40,830.82**
Sales Channels		
Directly to Consumers	3,474.85	2,691.61
Through intermediaries	36,999.44	38,139.21
Total	**40,474.29**	**40,830.82**
Sales by performance obligation		
Upon Shipment/ Dispatch	40,474.29	40,830.82
Upon Delivery	-	-
Total	**40,474.29**	**40,830.82**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

41. Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customers *Contd*

II. Reconciliation between revenue with customers and contract price:

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Revenue as per contracted price	40,508.02	40,862.23
Adjustments		
Discounts/ Rebates	(33.73)	(31.41)
Revenue from contracts with Customers	40,474.29	40,830.82

III. Reconciliation of the revenue from contracts with the amounts disclosed in the segment information

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Total revenue from contracts with customer	40,474.29	40,830.82
Total revenue as per Segment		-
- Paper, pulp and other products	35,011.62	35,549.39
- Moulded products	5,462.67	5,281.43

IV. Contract Balances

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Trade Receivables	4,001.26	2,443.81
Contract Liabilities	220.09	352.36

42. 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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

42. Disclosure in terms of Ind AS 116 *Contd*

The same are shown under 'Rent' in the Statement of Profit and Loss as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease rent	52.81	45.32

As Lessor

The following table sets out a maturity analysis of lease payaments, showing undiscounted lease payments to be received after the reporting period.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within one year	36.00	36.00
Between one to five years	6.00	42.00
Beyond five years	-	-

Finance Leases

Amounts recognised in the Balance Sheet

A company has finance lease arrangement for various land leases for terms of 57- 73 years . The carrying amount of these assets are shown below:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Land		
Gross Carrying Amount	181.25	181.25
Accumulated Depreciation	23.44	21.12
Depreciation recognized in statement of profit and loss	2.32	2.33

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement

A. Description of share-based payement arrangement

Share Option Programme (Equity Settled)

The members of the Company had approved the YASH TEAM STOCK OPTION PLAN – 2021' ('TSOP'/ 'Plan') at the extra ordinary general meeting held on 6th May 2022. The plan envisaged grant of share options to eligible employees at market price as defined in Securities and Exchange Board of India (Share Based Employee Benefits

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement *Contd*

and Sweat Equity) Regulations, 2021 ('SBEB Regulations').The Plan covers eligible employees (except promoters or those belonging to the promoters' group, independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10%of the outstanding Shares of the Company). Under the Scheme, the Nomination and Remuneration Committee of directors of the Company, administers the Scheme and grants stock options to eligible directors or employees of the Company.The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 20,00,000 (Twenty Lakhs Only) equity shares of the Company.

(i) **Tranch-I :** Pursuant to above, during FY 2022-23, the Company has granted 14,16,600 options at an exercise price of INR 82.21 per option, to the employees of the Company. Under the terms of the plan, these options are vested on a graded vesting basis over a maximum period of 1 year from the date of grant and are to be exercised either in part(s) or full, within a maximum period of 3.5 years from the date of last vesting. During the year the Company has allotted 10,89,600 equity shares at ₹82.21 per equity share upon exercise of share options vested in terms of TSOP -2021 plan. The remaining options would have to be exercised by the concerned eligible team of the Company, before the end date i.e., 31st December, 2026 from the date of respective vesting.

(ii) **Tranch-II :** Pursuant to above, during FY 2023-24, the Company has granted 1,25,400 options at an exercise price of INR 118.13 per option, to the employees of the Company. Under the terms of the plan, these options are vested on a graded vesting basis over a maximum period of 1 year from the date of grant and are to be exercised either in part(s) or full, within a maximum period of 2.5 years from the date of last vesting.The said options would have to be exercised by the concerned eligible team of the Company, before the end date i.e., 31st December, 2026 from the date of respective vesting.

Particulars	Tranch-I	Tranch-II
	TSOP 2021	TSOP 2021
Date of Grant	7th July,2022	2nd September,2023
Date of Board/NRC Approval	7th July,2022	2nd September,2023
Date of Shareholders' Approval	6th May 2022	6th May 2022
Maximum number of shares under the plan	20,00,000	20,00,000
Method of settlement (cash/equity)	Equity	Equity
Vesting period (maximum)	1 Year	1 Year
Exercise period from the date of vesting (maximum) (In Years)	3.50	2.50
Options granted	14,16,600	1,25,400
Options exercised during the year	10,89,600	-
Option Lapsed during the Year	63,300	-
Vesting conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Table representing general terms of the grants of the ESOP outstanding as on 31st March, 2024

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement *Contd.*

Particulars	Tranch	Grant Date	No. of Options Outstanding	Exercise Price	Weighted Average Remaining Life	Vesting Period
YASH TEAM STOCK OPTION PLAN – 2021	Tranch-I	7th July,2022	2,63,700	82.21	2	1 Year
YASH TEAM STOCK OPTION PLAN – 2021	Tranch-II	2nd Sept.,2023	1,25,400	118.13	2	1 Year

B. Measurement of Fair Value

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

Particulars	Tranch-I	Tranch-II
	TSOP 2021	TSOP 2021
Date of Grant	7th July,2022	2nd September,2023
Fair value of options at grant date	27.40	79.37
Share price at grant date	95.51	181.44
Exercise price	82.21	118.13
Expected volatility (weighted-average)	24.19%	38.06%
Expected life (weighted-average)	2.01	2.17
Risk-free interest rate	7.19%	7.29%

C. Reconciliation of Outstanding Share Options

The number and weighted-average exercise prices of share options under the share option programme were as follows.

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Options outstanding as at the beginning of the year	14,16,600	82.21	-	-
Add: Options granted during the year	1,25,400	118.13	14,16,600	82.21
Less: Options lapsed during the year	63,300	82.21	-	-
Less: Options exercised during the year	10,89,600	82.21	-	-
Options outstanding as at the year end	3,89,100	85.13	14,16,600	82.21
Exercisable as at year end	2,63,700	82.21	-	-
Weighted - average contractual life	2		2	-

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement *Contd.*

D. Expense recognised in Standalone Statement of Profit and Loss(Refer Note 31)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equity settled share based payments *	328.67	227.15

*During the year, the company revised the estimate of the number of Options to be exercised from 80% to 90% in Q-4 and accordingly the additional expenses of ₹92.20 Lakhs has been recognised in the Statement of Profit & Loss.

E. All the Options were exercised on 2nd September, 2023 and the exercise price on the date of exercise of share options was ₹82.21

44. Expenditure on Research and Development

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Capital Expenditure	13.92	-
Revenue Expenditure	52.49	44.31

45. Expenditure on Corporate Social Responsibility (CSR)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Amount of CSR required to be spent as per the limits of Section 135 of Companies Act, 2013	101.57	79.31
(b) Amount spent during the year	58.50	137.75
(c) Amount Available of previous year set off during the year	43.07	-
(d) Shortfall at the end of the year	-	-
(e) Total of previous year shortfall	-	-
(f) Amount available for set off in succeeding financial years	15.37	58.44
(g) Reason for shortfall	NA	
(h) Nature of CSR activity	Women Education	Women Education and Water Conservation

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

45. Expenditure on Corporate Social Responsibility (CSR) *Contd.*

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Details of related party transaction		
Pakka Foundation (formerly known as KK Charitable Foundation)	57.50	65.50
Jingle Bell School	-	33.00
(j) 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

46. Contingencies

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Claims against the Company not acknowledged as debts:		
- Value Add Tax (UP)	3.26	3.96
- Guarantees given by Banks	641.29	651.29
- Letter of Credits	1,649.01	-
Total	**2,293.56**	**655.25**

47. Capital and other commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated value of contracts remaining to be executed on capital account (net of advance paid)	7,066.39	272.10
Other commitments - EPCG licenses	44.23	-
Total	**7,110.62**	**272.10**

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

48. Ratios

Particulars	Numerator	Denominator	As at 31st March, 2024	As at 31st March, 2023	Variance	Reasons
Current Ratio	Current assets	Current liabilities	2.11	1.35	55.95%	Increase in current assets during the year
Debt - Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.69	0.48	41.97%	Additional Borrowings availed during the year
Debt Service Coverage Ratio	Earnings available for debt service (1)	Debt Service	5.18	3.64	42.21%	Lower Finance cost in current year
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	18.39%	27.01%	-31.92%	Increase in equity share capital pursuant to shares alloted under ESOP
Inventory Turnover ratio	Sales	Average Inventory	3.88	4.63	-16.28%	NA
Trade receivables turnover ratio	Revenue	Average Trade Receivable	12.56	17.38	-27.73%	Increase in average Receivable during the year
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	26.49	27.66	-4.23%	NA
Net capital turnover ratio	Revenue	Working Capital	3.24	10.13	-67.97%	Increase in Working Capital in current year
Net profit ratio	Net Profit	Revenue	12.02%	12.60%	-4.59%	NA
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	17.34%	24.53%	-29.33%	Lower earnings in current year
Return on Investment(ROI)	Interest Income & Income from Mutual Funds	Average Investment (2)	7.18%	0.00%	7.18%	NA

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

49. 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, 2024	As at 31st March, 2023
Pakka Inc.	Wholly owned subsidiary	Investments made	376.02	376.02
Pakka Pte Ltd.	Wholly owned subsidiary	Investments made	172.74	172.74
Pakka Impact Ltd.	Wholly owned subsidiary	Investments made	200.00	195.00
Pakka Inc.*	Wholly owned subsidiary	Loan given	1,944.07	427.64
Pakka Impact Ltd.*	Wholly owned subsidiary	Loan given	768.51	205.82

*Including Accrued Interest

50. Other disclosures as per amended Schedule III-

(i) The Company do not have any transactions with Companies stuck off.

(ii) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

(iii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(iv) 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.

(v) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237of the Companies Act, 2013

(vi) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(vii) 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.

Notes forming part of the Standalone Financial Statements for the year ended 31 March, 2024

50. Other disclosures as per amended Schedule III- *Contd.*

(viii) 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

(ix) 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.

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Independent Auditor's Report

To
The Members of
Pakka Limited (Formerly Known As Yash Pakka Limited)

Report on the audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Pakka Limited. (Formerly known as Yash Pakka Limited.) ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss ,(including Other Comprehensive Income), the Consolidated cash Flow statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated financial statements, including a summary of material 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, 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 Consolidated state of affairs of the Group as at March 31,2024, their consolidated profit and other comprehensive income, consolidated cash flows and the consolidated changes in equity 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence 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.

<table>
<tr><th>Sr. No</th><th>Key Audit Matter</th><th>Auditor’s Response</th></tr>
<tr><td>1.</td><td>Capitalization and useful life of Property Plant and Equipment (PPE)
❒ During the year, the Company has capitalized items of PPE including those from Capital work in progress and 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 Group, 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;
❒ These have 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 Indian Accounting Standards (Ind AS) 16
(Refer Note 2 to the standalone financial statements)</td><td>Audit Approach :
We performed the following procedures:
❒ Obtained an understanding of the system of internal control process for the capitalization of projects and other assets and those included in capital work in progress, with reference to identification and testing of key controls;
❒ Assessed the progress of the above project and the intention and ability of the management to carry forward and bring the asset to its state of intended use;
❒ Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;
❒ 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 Ind AS 16, Property, Plant and Equipment;
❒ Ensured adequacy of disclosures in the Consolidated financial statements.</td></tr>
<tr><td>2.</td><td>Infromation System (IT) systems and controls over financial r eporting.
We identified IT systems and controls over financial reporting as a key audit matter for the Group because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company’s systems and data, cyber security has become more significant.
Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications to ensure that they are designed to operate effectively to ensure accurate financial reporting.</td><td>Audit Approach:
We performed the following procedures:
❒ Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit;
❒ Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations;
❒ Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year;
❒ Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company;
» Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting systems</td></tr>
</table>

Information other than the consolidated financial statements and Auditors report thereon

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, 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 Management Discussion and Analysis, 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs , consolidated profit/loss and other comprehensive income, , consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act. The respective Management and 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and The Board of Directors of the Holding Company's, as aforesaid.

In preparing the consolidated financial statements, the respective Management and 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 the Group or to cease operations, or has no realistic alternative but to do so.

The respective Management and 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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:

1. The accompanying Statement of consolidated financial results includes audited financial results/statements of one subsidiary which reflect total assets (before consolidation adjustments) of ₹711.17 lakhs as at March 31, 2024, total revenues (before consolidation adjustments) of ₹0.68 lakhs, total net loss after tax (before consolidation adjustments) of ₹175.67 lakhs, and total comprehensive loss (before consolidation adjustments) of ₹175.67 lakhs for year ended March 31, 2024, and net cash inflow (before consolidation adjustments) of ₹9.97 lakhs for the year ended on March 31, 2024, as considered in the consolidated financial statements. This financial statement of the subsidiary have been audited by other auditor whose financial statement, other financial information and auditor's report have been furnished to us by the management of holding company. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in

terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditors.

2. The Consolidated Financial Statements includes unaudited financial results/ statements of two subsidiaries which have not been audited, whose financial results reflect total assets (before consolidation adjustments) of ₹1,435.81 lakhs as at March 31, 2024, total revenues (before consolidation adjustments) of ₹ Nil, total net loss after tax (before consolidation adjustments) of ₹432.69 lakhs, total comprehensive loss (before consolidation adjustments) of ₹438.89 lakhs for the year ended March 31, 2024, and net cash inflow (before consolidation adjustments) of ₹137.44 lakhs for the year ended March 31, 2024, as considered in the consolidated financial results. This unaudited financial statements/ financial information has been approved and furnished to us by the Management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements and other unaudited financial information duly certified by the management.

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 work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in 'Other matters' paragraph, we report to the extent applicable that:

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

   (b) In our opinion, proper books of account as required by law relating to 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. (Also refer our comments in para 2(h)(vi));

   (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed 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 and based on the reports of auditor of subsidiary which are incorporated in India as on March 31, 2024, none of the directors of the Group companies incorporated in India is disqualified as on March,31 2024 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 Consolidated Financial statements of the Holding Company and its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 and based on the Auditor's reports of the subsidiary incorporated in India, 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other auditors on separate financial statements and other financial information of the subsidiaries, incorporated in india as noted in 'Other matters' paragraph:

i. The Consolidated Financial Statements has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements – Refer Note 48 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 respective Managements of the Holding Company and its subsidiary which are the companies incorporated in India whose financial statements have been audited under the Act have represented to the best of it's 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 Holding Company and it's subsidiary incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its Subsidiary which are the companies incorporated in India whose financial statements have been audited under the Act have represented to the best of it's knowledge and belief, as disclosed in note 49 to the consolidated financial statements no funds have been received by the Holding Company, it's subsidiary incorporated in Inida 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;

v. 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;

vi. Based on our examination which included test checks, the accounting software used for maintaining books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with

In respect of the subsidiary incorporated in India, whose financial statements have been audited under the Act, the respective Auditors have stated in their report that the accounting software used by the Subsidiary for maintenance of account books of account does not have a feature of recording audit trail (edit log) facility.

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 us for the Holding Company and based on the CARO report issued by other auditors in respect of an subsidiary company whose financial information has been considered in Consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that, there are no qualifications or adverse remarks in this CARO report.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W – 100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 24037391BKBOIN6495

Place: Mumbai
Date: May 30,2024

Annexure "A" to the Independent Auditor's Report

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **PAKKA LIMITED (FORMERLY KNOWN AS YASH PAKKA LTD.)** ("the Holding Company") and its subsidiary company incorporated in india wherein such audit of internal financial controls over financial reporting was carried out by other auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of March,31 2024 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 Group, which are companies incorporated in India, has except for strengthening of process of financial closure at every period end and matters stated in para 1(h)(vi) of our report on Other Legal and Regulatory requirements on reporting under Rule 11(g), 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 March,31 2024; based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Management and Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the 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 of the Company with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 with reference to consolidated financial statements , 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 adequacy of 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 with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal 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, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls 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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company, which is incorporated in India, are based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of above matter

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W / W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 24037391BKBOIN6495

Place: Mumbai
Date: May 30,2024

Consolidated Balance Sheet as at 31 March, 2024

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	19,816.88	19,200.76
(b) Capital work-in-progress	3	4,521.51	1,937.65
(c) Right of Use Assets	4(B)	36.45	67.70
(d) Goodwill	4	175.82	584.62
(e) Other intangible assets	4	167.27	60.64
(f) Intangible assets under development	5	396.90	276.56
(g) Financial assets			
(i) Investments	6(A)	0.19	0.14
(ii) Loans	12(A)	97.21	3.36
(iii) Other Financial Assets	11(A)	7.73	7.33
(h) Other non current assets	7	1,516.26	202.33
Total non current assets		26,736.22	22,341.09
CURRENT ASSETS			
(a) Inventories	8	11,114.05	9,768.62
(b) Financial assets			
(i) Investments	6(B)	117.90	110.00
(ii) Trade receivables	9	4,000.85	2,443.81
(iii) Cash and cash equivalents	10	5,517.50	100.12
(iv) Bank balances other than (iii) above	11(B)	1,489.92	597.15
(v) Loans	12(B)	133.94	47.68
(vi) Other financial assets	13	158.95	157.73
(c) Other current assets	14	1,417.19	1,747.26
Total current assets		23,950.30	14,972.37
TOTAL ASSETS		50,686.52	37,313.46
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	3,916.81	3,807.85
(b) Other equity	16	21,229.97	16,760.76
(c) Non-Controlling Interests		-	(4.51)
Total Equity		25,146.78	20,564.10
Liabilities			
(2) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(A)	11,155.92	2,179.32
(ii) Lease liabilities	18(A)	5.98	39.82
(iii) Other financial liabilities	19	430.50	337.50

Consolidated Balance Sheet as at 31 March, 2024

(₹ in Lakh)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
(b) Deferred tax liabilities (net)	20	2,439.22	2,352.44
(c) Other non current liabilities	21	217.99	156.75
(d) Provisions	25(A)	5.50	3.60
Total non current liabilities		**14,255.11**	**5,069.43**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(B)	7,207.31	8,190.56
(ii) Lease liabilities	18(B)	33.84	30.63
(iii) Trade payables	22		
(A) Total outstanding dues of Micro enterprises and Small Enterprises		305.30	286.96
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		957.28	617.02
(iv) Other financial liabilities	23	19.48	12.50
(b) Other current liabilities	24	1,530.45	1,699.96
(c) Provisions	25(B)	710.25	703.03
(d) Current Tax liabilities (Net)	26	520.72	139.27
Total current liabilities		**11,284.63**	**11,679.93**
Total liabilities		**25,539.74**	**16,749.36**
TOTAL EQUITY AND LIABILITIES		**50,686.52**	**37,313.46**
Material Accounting Policy information	1		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I	Revenue from operations	27	40,474.29	40,830.82
II	Other income	28	862.98	1,160.29
III	**Total income**		**41,337.27**	**41,991.11**
IV.	**Expenses**			
	Cost of materials consumed	29	15,585.08	15,402.18
	Purchase of stock-in-trade		484.59	578.25
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(1,173.21)	219.81
	Employee benefits expenses	31	4,713.60	4,454.68
	Finance costs	32	904.74	1,126.28
	Depreciation and amortization expenses	33	1,403.81	1,274.65
	Other expenses	34	12,681.17	12,242.73
	Total Expenses (IV)		**34,599.78**	**35,298.58**
V.	**Profit before Tax (III - IV)**		**6,737.49**	**6,692.53**
VI.	**Tax expense:**	35		
	1. Current tax		2,295.40	1,434.61
	2. Deferred tax		99.43	650.32
	3. Tax adjustments relating to earlier years		2.36	-
VII.	**Profit for the period (V - VI)**		**4,340.30**	**4,607.60**
VIII.	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(43.48)	(38.13)
	(ii) Income tax related to items that will not be reclassified to profit or loss		12.66	11.10
	(iii) Foreign currency Transition Reserve		(6.19)	8.67
	Total Other Comprehensive Income		**(37.01)**	**(18.36)**
IX.	**Total comprehensive income for the period (VII - VIII)**		**4,303.29**	**4,589.24**
	Profit for the year Attributable to			
	Owners of the Parents		4,340.30	4,604.29
	Non-Controlling interests		-	3.31
			4,340.30	**4,607.60**

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Other Compenhensive income for the year attributable to			
Owners of the Parents		(37.01)	(18.36)
Non-Controlling interests		-	-
		(37.01)	**(18.36)**
Total Comprehensive income for the year attributable to			
Owners of the Parents		4,303.29	4,585.93
Non-Controlling interests		-	3.31
		4,303.29	**4,589.24**
X. Earnings per equity share	36		
1. Basic		11.21	12.10
2. Diluted		11.14	12.04

Material Accounting Policy information 1

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Consolidated Statement of Cash Flows for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	6737.49	6692.53
Non controlling interest - Pakka Impact Limited		
Adjustments for :	-	(4.51)
Depreciation and amortization	1,403.81	1,274.65
Loss/ (profit) on sale of property, plant and equipment	(16.26)	51.43
Interest income	(121.26)	(133.38)
Finance cost	777.92	894.63
Remeasurement of net defined benefit plans	(43.48)	(38.13)
Foreign currency Transition Reserve	(6.19)	8.67
Provision for Impairment of Goodwill	408.80	-
Net (gain)/ loss on investments measured at Fair Value through Profit and Loss	(7.96)	0.05
Employees Share Base payment Reserve	(86.91)	227.15
Operating profit before working capital changes	**9,045.96**	**8,973.09**
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
(Increase)/ decrease in trade receivables	(1,557.04)	(190.24)
(Increase)/ decrease in inventories	(1,345.43)	(1,892.17)
(Increase)/ decrease in other financial assets	(1.22)	(21.74)
(Increase)/ decrease in other assets	354.14	(584.36)
Adjustment for increase/(decrease) in operating liabilities		
Increase/ (decrease) in trade payables	358.60	(189.02)
Increase/ (decrease) in other financial liabilities	6.98	12.50
Increase/ (decrease) in other liabilities	(259.26)	150.34
Increase/ (decrease) in provisions	9.12	227.96
Cash generated from operations	**6,611.85**	**6,486.36**
Income taxes refunded / (paid), net	(1,916.30)	(1,349.24)
Net cash generated from operating activities	**4,695.55**	**5,137.12**

Consolidated Statement of Cash Flows for the year ended 31 March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets (including capital work in progress and capial advance)	(5,959.27)	(3,913.61)
Proceeds from sale of property, plant and equipment	51.39	109.93
(Increase)/ decrease in Loans including accrued interest	(180.11)	(15.62)
Interest received	121.26	133.38
Purchase of Non-Controlling Interest	(5.00)	-
Investment in Mutual Fund	-	(110.00)
Other bank balances (margin money)	(893.17)	(28.16)
Net cash (used in) / generated from investing activities	**(6,864.90)**	**(3,824.08)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (decrease) in long-term borrowings	8,976.60	(725.70)
Increase/ (decrease) in short-term borrowings	(983.25)	672.11
Proceeds from Issue of equity shares	108.96	-
Security Premium on issue of Equity shares	1202.37	-
Finance costs paid	(777.92)	(894.63)
Dividend Paid	(940.03)	(761.57)
Net cash used in financing activities	**7,586.73**	**(1,709.79)**
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**5,417.38**	**(396.75)**
Cash and cash equivalents at the beginning of the year	100.12	496.87
Cash and cash equivalents at the end of the year	**5,517.50**	**100.12**

Consolidated Statement of Cash Flows for the year ended 31 March, 2024

Note : Reconciliation between cash and cash equivalents and cash and bank balances:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash and cash equivalents as per cash flow statement	5,517.50	100.12
Add: Margin money deposits not considered as cash and cash equivalents	1,497.65	604.48
Cash and bank balances	**7,015.15**	**704.60**

Notes to the statement of cash flows and disclosure of non cash transactions

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

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.

Material Accounting Policy information (Refer note 1)

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

Gautam Ghosh
Executive Director
DIN: 10371300

Place: Ayodhya
Date: 30.05.2024

Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
Date: 30.05.2024

Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Consolidated Statement of Changes in Equity for the year ended 31 March, 2024

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
Balance as on 1st April, 2022	3,807.85
Additions during the year	-
Balance as on 31st March, 2023	3,807.85
Additions during the year	108.96
Balance as on 31st March, 2024	3,916.81

B. Other equity

(₹ in Lakhs)

Particulars	Other Equity						Total equity
	Reserves and Surplus					Other Comprehensive Income	
	Capital Reserve	Securities Premium	Employees Share Base payment Reserve	General reserve	Retained Earnings	Other items of other comprehensive income	
Balance as on 1st April, 2023	37.32	1,172.16	227.15	550.00	14,904.77	(130.64)	16,760.76
Additions during the year	-	786.79	328.67	-	-	-	1,115.46
Profit for the year	-	-	-	-	4,330.79	(30.82)	4,299.97
Foreign Currency Transition Reserve						(6.19)	(6.19)
Transferred during the year		415.58	(415.58)				0.00
Dividend Paid for the year ended 31st March, 2023	-	-	-	-	(940.03)	-	(940.03)
Balance as on 31st March, 2024	37.32	2,374.53	140.24	550.00	18,295.53	(167.65)	21,229.97

Consolidated Statement of Changes in Equity for the year ended 31 March, 2024

Particulars	Other Equity						Total equity
	Reserves and Surplus					Other Comprehensive Income	
	Capital Reserve	Securities Premium	Employees Share Base payment Reserve	General reserve	Retained Earnings	Other items of other comprehensive income	
Balance as on 1st April, 2022	**37.32**	**1,172.16**	**-**	**550.00**	**11,058.74**	**(112.28)**	**12,705.94**
Additions during the year	-		227.15	-	-	-	227.15
Profit for the year	-	-	-	-	4,607.60	(27.03)	4,580.57
Foreign Currency Transition Reserve						8.67	8.67
Dividend Paid for the year ended 31st March, 2022	-	-	-	-	(761.57)	-	(761.57)
Balance as on 31st March, 2023	**37.32**	**1,172.16**	**227.15**	**550.00**	**14,904.77**	**(130.64)**	**16,760.76**

Refer Note 16 for nature and purpose of reserves

Material Accounting Policy information (Refer note 1)

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Jagdeep Hira
Managing Director
DIN: 07639849

Place: Ayodhya
Date: 30.05.2024

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Executive Director
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Himanshu Kishnadwala
Partner
Membership No.: 037391
Place: Mumbai
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Neetika Suryawanshi
Chief Financial Officer

Place: Ayodhya
Date: 30.05.2024

Sachin Kumar Srivastava
Company Secretary

Place: Ayodhya
Date: 30.05.2024

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

Corporate Information

Pakka Limited (Formerly known as Yash Pakka Limited) ("Pakka" or "the Company") is a public limited Company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange in India. The registered office of the company is located at 2nd Floor, 24/57, Birhana Road, Kanpur - 208001, Uttar Pradesh, India. The principal place of business of the Company is in Ayodhya, Uttar Pradesh, India.

The Company is mainly engaged in the business of manufacture and dealing in Paper and Moulded products.

These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as "the Group").

1. Basis of Preparation:

These Consolidated financial statements of the Company 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 material 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 (as amended) prescribed under Section 133 of Companies Act, 2013, (the 'Act') and guidelines issued by the Securities and Exchange Board of India (SEBI).

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 30th May, 2024

Basis of measurement

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

In preparing these Consolidated financial statements, the Group's management ('the Management") has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated financial statements is included in the following notes:

- Note 39- Determining the amount of expected credit loss on financial assets (including trade receivables)
- Note 27 - Identification of performance obligation in revenue recognition
- Determining the amount of Impairment Loss

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

- Note 2-5 :Estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.
- Note 8 : Valuation of inventories;
- Note 27 & 41 : Revenue recognition based on percentage of completion and provision for onerous contracts.
- Note_35_: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 37 :Measurement of defined benefit obligations; key actuarial assumptions;
- Note 39 : Impairment of financial and non-financial assets.
- Note 43 : Fair valuation of Employee Stock Option Plans (ESOP's);
- Note 47 : Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;

Note 4(B) and 42: Ind AS 116 –

Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Operating cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has considered the operating cycle as the life of the project for project related assets and liabilities and for rest of the assets and liabilities it has been considered as 12 months

1.2. Material Accounting Policy Information

1.2.1. Principles of Consolidation

Subsidiaries:

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.

Transaction eliminated on consolidation:

The Group combines the financial statements of the Company 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%
Pakka Pte. Singapore	100%
Pakka Impact Limited*	100% (97.50% upto 20th October 2023)

*Till last year the following treatment was given:

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately within equity

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

1.2.2. Property, Plant and Equipment

Recognition and Measurement:

Freehold land is carried at historical cost. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation:

Depreciation is provided on a straight-line basis so as to expense the cost less residual value over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in case of assets in moulded products division where useful life is determined based on technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of Asset	Useful Life
Factory Buildings	30 Years
Non Factory Buildings	3-60 Years
Plant and equipments	5-25 Years
Furniture and fixtures	10 Years
Office equipments	5 Years
Computers	3 Years
Electrical Installation & fittings	10 Years
Vehicles	8 Years

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss.

Capital Work-In-Progress.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

Advances given towards acquisition of assets and outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".

1.2.3. Intangible Assets

Recognition

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

Expenditure on research activities is recognised in statement of profit and loss as incurred.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred.

Amortization

Intangible assets are Amortised over their estimated useful lives (5 years) using the straight-line method. Amortisation method, useful lives and residual values are reviewed at the end of each reporting date and adjusted if appropriate.

Goodwill

Goodwill is initially recognized based on accounting policy for business combinations and tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

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 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.

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 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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

Subsequent measurement

(A) Lease Liability

The Group 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 Group 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 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 recognized in the statement of profit and loss on straight line basis over the lease term.

1.2.7. Inventories

- Inventories are measured at the lower of cost and net realisablevalue. The cost of inventories is determined on weighted average basis and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.
- In the case of raw materials and stock-in-trade, cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.. In the case of finished goods and work in progress,
- cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted Average Cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

1.2.8. Revenue Recognition

Sale of goods and services

Revenue is recognised 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 the sale of goods is recognized at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers. Export sales are recognized on the issuance of Bill of Lading/ Airway bill by the carrier.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

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Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

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

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Long term employee benefits

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.

Defined Contribution Plans and 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. Share based payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair valuation on the grant date of the awards given to employees is recognized as 'Employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis black-scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

1.2.11. 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.

1.2.12. 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.

1.2.13. 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. Government grants received in relation to assets are presented as a reduction to the carrying amount of the related assets.

The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between initial carrying value of the loan and proceeds received. The loan is subsequently measured at amortised cost.

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, , Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme and Export Promotions on Capital Goods (EPCG) scheme are also treated as government grants.

1.2.14. Provisions, Contingent Liabilities and Contingent Assets

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements

1.2.15. 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 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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

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.

1.2.16. 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..

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 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 contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

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 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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

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, the Group decides to classify the same either as at FVTOCI or FVTPL. The company 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 FVTOCI) 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 FVTOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVTOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.2.17. 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:

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 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.

1.2.18. 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.

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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated 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.

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 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.

1.2.19. 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 (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) that an entity incurs in connection with the borrowing of funds.

1.2.20. 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

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

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

1.2.21. 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.

1.2.22. 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.

1.2.23. 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.

1.2.24. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

1.2.25. 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.

1.2.26. Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards of amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

2. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Freehold land	Leasehold land	Factory buildings	Roads & Bridges	Non-Factory buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Electrical installation and fittings	Total
Gross carrying value											
As at 1st April, 2023	349.37	181.25	2,970.40		397.31	19,139.69	31.78	221.17	169.60	1,122.47	24,583.04
Additions	30.93		44.35	321.34	42.91	921.69	33.90	44.28	49.94	513.41	2,002.75
Additions (Pakka Inc.)							-				-
Additions (Pakka Impact)						-	-		-		-
Deletions			20.56		-	64.12	-	6.73	12.63	9.71	113.75
As at 31st March, 2024	380.30	181.25	2,994.19	321.34	440.22	19,997.26	65.68	258.72	206.91	1,626.17	26,472.04
Accumulated Depreciation											-
As at 1st April, 2023	-	21.12	691.75		23.96	4,109.10	5.25	65.65	89.84	375.61	5,382.28
Additions		2.32	115.63	10.16	9.03	1,035.37	6.50	29.55	37.68	105.26	1,351.50
Additions (Pakka Impact)							-		-		-
Deletions		-	17.44		-	37.06	-	6.40	8.89	8.83	78.62
As at 31st March, 2024	-	23.44	789.94	10.16	32.99	5,107.41	11.75	88.80	118.63	472.04	6,655.16
Net Carrying amount											
As at 1st April, 2023	349.37	160.13	2,278.65	-	373.35	15,030.59	26.53	155.52	79.76	746.86	19,200.76
As at 31st March, 2024	380.30	157.81	2,204.25	311.18	407.23	14,889.85	53.93	169.92	88.28	1,154.13	19,816.88

(₹ 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
Gross carrying value										
As at 1st April, 2022	349.37	181.25	2,816.77	398.24	16,676.74	20.66	237.09	133.10	748.22	21,561.44
Additions	-	-	170.92	9.08	2,761.83	11.84	22.62	40.09	376.26	3,392.64
Deletions	-	-	17.29	10.01	298.88	0.72	38.54	3.59	2.01	371.04
As at 31st March, 2023	349.37	181.25	2,970.40	397.31	19,139.69	31.78	221.17	169.60	1,122.47	24,583.04
Accumulated Depreciation										
As at 1st April, 2022	-	18.79	603.43	25.58	3,294.55	(0.91)	63.11	62.23	301.62	4,368.40
Additions	-	2.33	104.61	7.89	969.66	6.16	27.22	29.87	75.82	1,223.56
Deletions	-	-	16.29	9.51	155.11	-	24.68	2.26	1.83	209.68
As at 31st March, 2023	-	21.12	691.75	23.96	4,109.10	5.25	65.65	89.84	375.61	5,382.28
Net Carrying amount										
As at 1st April, 2022	349.37	162.46	2,213.34	372.66	13,382.19	21.57	173.98	70.87	446.60	17,193.04
As at 31st March, 2023	349.37	160.13	2,278.65	373.35	15,030.59	26.53	155.52	79.76	746.86	19,200.76

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

(i) Leased Assets

The lease term in respect of assets acquired under finance leases expires within 57-73 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 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 except the moulded product division wherein based on assessment, the impairment loss of ₹420.42 lakhs was identified during the year and accordingly, the goodwill recognised of ₹408.80 Lakhs relating to Moulded products division was fully impaired.

(iv) Revision in useful life of certain assets

During the previous year, the Group has reassessed the useful life of certain items of property, plant and equipments under Moulded Products Division in Pakka Limited and based on the assessment, the useful life has been reduced from 25 years to 20 years in respect of Plant and Equipments and 8 years to 5 years in respect of Moulds resulting in additional charge of ₹102.90 lakhs in depreciation.

(v) Other Notes:

a) Property, Plant and Equipment values are carried in the financial statement on their Historic value (Cost of Acquisition).

b) Title deeds of all immovable properties of land and buildings which are freehold are in the name of the Company.

c) For capital commitments, Refer Note 48

d) The Group has not revalued any of its Property, plant and equipment and intangible assets during the year.

e) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property

3. Capital work in progress (CWIP)

As at 31st March, 2024

Particulars	Amount
Gross carrying value	
As at 1st April, 2023	1,937.65
Additions	3,976.04
Transfer to PPE	(1,392.18)
As at 31st March, 2024	**4,521.51**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

3. Capital work in progress (CWIP) *Contd.*

As at 31st March, 2023

Particulars	Amount
Gross carrying value	
As at 1st April, 2022	1,798.04
Additions	2,560.77
Transfer to PPE	(2,421.16)
As at 31st March, 2023	**1,937.65**

CWIP Ageing Schedule as on 31st March,2024

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	2,857.01	1,292.40	330.05	42.05	4,521.51
Projects temporaily suspended	-	-	-	-	-

CWIP Ageing Schedule as on 31st March,2023

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	1,565.55	330.05	42.05	-	1,937.65
Projects temporaily suspended	-	-	-	-	-

Note 3(a): There are no projects whose completion is overdue or has exceeded its cost.

4. Goodwill and other Intangible assets

(₹ in Lakhs)

Particulars	Goodwill (Refer Note 4(B)	Computer software
Gross carrying value		
As at 1st April, 2023	584.62	191.04
Additions	-	127.68
Impairment	408.80	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

(₹ in Lakhs)

Particulars	Goodwill (Refer Note 4(B)	Computer software
As at 31st March, 2024	175.82	318.72
Amortisation		
As at 1st April, 2023	-	130.40
Additions	-	21.05
Deletions	-	-
As at 31st March, 2024	-	151.45
Net Carrying amount		
As at 1st April, 2023	584.62	60.64
As at 31st March, 2024	175.82	167.27

(₹ in Lakhs)

Particulars	Goodwill	Computer software
Gross carrying value		
As at 1st April, 2022	408.80	184.79
Additions	175.82	6.25
Deletions	-	-
As at 31st March, 2023	584.62	191.04
Amortisation		
As at 1st April, 2022	-	105.35
Additions	-	25.05
Deletions	-	-
As at 31st March, 2023	-	130.40
Net Carrying amount		
As at 1st April, 2022	408.80	79.44
As at 31st March, 2023	584.62	60.64

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

Note 4(A): Impairment of Goodwill

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less then the recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell.

For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

The Group generally uses discounted cash flow method to determine the recoverable amounts. These discounted cashflows use a 5 year projection based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Based on the said assessment, Impairment loss of ₹420.42 lakhs was identified in the Moulded Products segment during the year. Accordingly, the goodwill recognised of ₹408.80 relating to Moulded products division was fully impaired.

4(B). Right of use Assets

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Amount
Gross carrying value	
As at 1st April, 2023	93.74
Additions	-
Deletions	-
As at 31st March, 2024	**93.74**
Deletions	-
As at 31st March, 2024	
Amortisation	
As at 1st April, 2023	26.04
Additions	31.25
Deletions	-
As at 31st March, 2024	**57.29**
Net Carrying amount	
As at 1st April, 2023	**67.70**
As at 31st March, 2024	**36.45**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

4. Goodwill and other Intangible assets *Contd.*

4(B). Right of use Assets

(₹ in Lakhs)

Particulars	Amount
Gross carrying value	
As at 1st April, 2022	-
Additions	93.74
Deletions	-
As at 31st March, 2023	93.74
Amortisation	
As at 1st April, 2022	-
Additions	26.04
Deletions	-
As at 31st March, 2023	26.04
Net Carrying amount	
As at 1st April, 2022	-
As at 31st March, 2023	67.70

5. Intangible assets under Development

(₹ in Lakhs)

Particulars	Computer software
Gross carrying value	
As at 1st April, 2023	276.56
Additions	241.36
Deletions	(121.02)
As at 31st March, 2024	396.90

(₹ in Lakhs)

Particulars	Computer software
Gross carrying value	
As at 1st April, 2022	-
Additions	276.56
Deletions	-
As at 31st March, 2023	276.56

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

5. Intangible assets under Development *Contd.*

Intangible Asset under Development Ageing Schedule as on 31st March,2024

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	241.36	141.29	-	-	382.65
Projects temporaily suspended	-	14.25	-	-	14.25

Note 5(a): There are no Intangible assets under development whose completion is overdue or has exceeded its cost.

Intangible Asset under Development Ageing Schedule as on 31st March,2023

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	276.56	-	-	-	276.56
Projects temporaily suspended	-	-	-	-	-

Note 5(a): There are no Intangible assets under development whose completion is overdue or has exceeded its cost.

6(A) Non - Current Investments in Equity Shares

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments at fair value through profit and loss (FVTPL)		
Investment in equity shares (quoted, fully-paid up)		
500 (P.Y.: 500) equity shares of ₹2/- each of AMJ Land Holdings Limited	0.17	0.11
100 (P.Y.: 100) equity shares of ₹10/- each of Rana Mohendra Papers Limited [₹380 (P.Y. ₹380)]	-	-
100 (P.Y.: 100) equity shares of ₹10/- each of Mukerian Papers Limited	0.01	0.01
100 (P.Y.: 100) equity shares of ₹10/- each of Shree Rama Newsprint & Papers Limited	0.01	0.02
Total	**0.19**	**0.14**
Aggregate amount of quoted investments and market value thereof	**0.19**	**0.14**
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

6(B). Non - Current Investments in Equity Shares / Mutual Funds

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments at fair value through profit and loss		
Investment in Mutual Funds (quoted)		
841960.03 units (P.Y 841960.03 units) of SBI Corporate Bond Fund-Regular Plan Growth	117.90	110.00
Total	117.90	110.00
Aggregate amount of quoted investments and market value thereof	117.90	110.00
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

7. Other non current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advance (Refer Note 48 for Commitments)	1,488.70	150.70
Deferred Revenue from EPCG licenses	-	15.61
Prepaid Expenses	6.69	15.15
Others	20.87	20.87
Total	1,516.26	202.33

8. Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
At lower of cost and net realizable value		
Raw Materials	5,830.42	5,395.45
Work in Progress	123.78	62.54
Finished Goods	1,851.61	743.04
Traded goods	94.57	193.92
Pulp	3.40	-
Store and Spares	3,200.42	3,360.10
Scrap	9.85	13.57
Total	11,114.05	9,768.62

(i) The method of valuation of inventory has been stated in Note 1.2.7

(ii) Inventories have been given to Lenders as security for borrowings (Refer Note 17)

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

9. Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured	-	-
Considered good - unsecured*	3,977.71	2,373.40
With significant increase in credit risk	116.91	175.59
Credit impaired	-	-
Less: Provision for Expected Credit Loss	(93.77)	(105.18)
Total	**4,000.85**	**2,443.81**

**includes ₹86.63 lakhs (P.Y. ₹12.44 lakhs) receivable from related parties. (Refer note 38)*

As at 31st March 2024

(₹ in Lakhs)

Particulars	Not Due	less than 6 Months	6 Months to 1 years	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade Receivables- Considered Good	2936.93	961.84	38.06	0.25	-	40.63	3,977.71
Undisputed Trade Receivables- Which Have Significant Risk							-
Undisputed Trade Receivables- Credit Impaired							-
Disputed Trade Receivables- Considered Good							-
Disputed Trade Receivables- Which Have Significant Risk						116.91	116.91
Disputed Trade Receivables- Credit Impaired							-
Total	2936.93	961.84	38.06	0.25	-	157.54	4,094.62
Less: Provision for Expected Credit Loss	-	-		(0.01)		(93.76)	(93.77)
Total (Net)	**2,936.93**	**961.84**	**38.06**	**0.24**	**-**	**63.78**	**4,000.85**

As at 31st March 2023

(₹ in Lakhs)

Particulars	Not Due	less than 6 Months	6 Months to 1 years	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade Receivables- Considered Good	1,950.16	391.13	14.85	1.51	15.75	43.63	2,417.03
Undisputed Trade Receivables- Which Have Significant Risk							-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

9. Trade Receivables *Contd.*

As at 31st March 2023

(₹ in Lakhs)

Particulars	Not Due	less than 6 Months	6 Months to 1 years	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade Receivables- Credit Impaired							-
Disputed Trade Receivables- Considered Good							-
Disputed Trade Receivables- Which Have Significant Risk						131.96	131.96
Disputed Trade Receivables- Credit Impaired							-
Total	1950.16	391.13	14.85	1.51	15.75	175.59	2,548.99
Less: Provision for Expected Credit Loss				(0.08)	(1.57)	(103.53)	(105.18)
Total (Net)	1,950.16	391.13	14.85	1.43	14.18	72.06	2,443.81

9.1 Following are the details for the trade receivables whose credit risk has been assessed individually

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Assessed credit risk on an individual basis	97.60	112.65
Less: Loss allowance on above	(48.80)	(56.32)
Total	48.80	56.33

9.2 The agreed divisional payment terms are : (i) Paper & Pulp - Domestic Sale 20 days, Export Sale 30-90 days. (ii) Moulded - 30 days.

Refer Note 39 (a) & (b) for information about credit risk and market risk of trade receivables.

10. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks in current accounts	5,506.30	90.95
Cash in hand	11.20	9.17
Total	5,517.50	100.12

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

11A. Other Financial Assets

Non Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Bank deposits with more than 12 months maturity		
Margin money deposits (restricted, held as lien against bank guarantees)	7.73	7.33
Total	7.73	7.33

11B. Bank balances other than cash and cash equivalents

Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid dividend account	46.35	41.07
Margin money deposits (restricted, held as lien against bank guarantees)	1,443.57	556.08
Total	1,489.92	597.15

12A. Loans

Non Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured		
Considered good - unsecured		
Loans to Employees	97.21	3.36
With significant increase in credit risk		
Credit impaired		
Less: Loss allowance		
Total	97.21	3.36

Repayment Term - Refer note 38 for related parties

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

12A.(I). Loans or advances in nature of loans to Related Parties

(₹ in Lakhs)

Particulars	For the year ending 31st March 2024		For the year ending 31st March 2023	
	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	-	-	-	-

12B. Loans

Current Assets- Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Considered good - secured		
Considered good - unsecured		
Loans to Employees	133.94	41.68
With significant increase in credit risk		
Credit impaired		
Less: Loss allowance		
Total	133.94	41.68

12B (I). Loans or advances in nature of loans to Related Parties

(₹ in Lakhs)

Particulars	For the year ending 31st March 2024		For the year ending 31st March 2023	
	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	5.00	3.73%	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

13. Other financial assets - current

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due	22.33	11.15
Export incentives receivable	67.46	62.93
Security Deposits	69.16	83.65
Total	**158.95**	**157.73**

14. Other current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances to vendors	646.17	1,136.90
Indirect Taxes recoverable	495.45	437.04
Expenses paid in advance	132.17	115.26
Others	143.40	58.06
Total	**1,417.19**	**1,747.26**

15. Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised equity share capital		
Equity shares		
5,60,00,000 (P.Y. : 5,60,00,000) Equity shares of ₹10/- each	5,600.00	5,600.00
Preference shares		
4,00,000 (P.Y. : 4,00,000) Preference shares of ₹100/- each	400.00	400.00
Total	**6,000.00**	**6,000.00**
Issued, subscribed and fully paid up		
Equity shares		
3,91,68,100 (P.Y. : 3,80,78,500) Equity shares of ₹10/- each	3,916.81	3,807.85
Total	**3,916.81**	**3,807.85**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

15. Equity share capital *Contd.*

(i) Movements in equity share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024 No. of shares	As at 31st March, 2023 No. of shares
Opening Balance	3,80,78,500	3,80,78,500
Issued during the year	10,89,600	-
Closing Balance	3,91,68,100	3,80,78,500

(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:

(₹ in Lakhs)

Particulars	As at 31st March, 2024 No. of shares	As at 31st March, 2023 No. of shares
Ved Krishna	1,38,44,388	1,38,44,388
% of Share	35.35%	36.36%
Satori Global Limited	33,34,500	33,34,500
% of Share	8.51%	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 received in cash

(b) No bonus shares have been allotted

(c) No shares have been bought back

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

15. Equity share capital *Contd.*

(v) Number of shares held by Promoters

(₹ in Lakhs)

Name of Promoters	No of shares held at the end of the year 31st March 2024		No of shares held at the end of the year 31st March 2023	
	No of shares	% of total shares	No of shares	% of total shares
Mr. Ved Krishna	1,38,44,388	35.35%	1,38,44,388	36.36%
Satori Global Limited	33,34,500	8.51%	33,34,500	8.76%
Yash Agro Products Limited	9,68,640	2.47%	9,68,640	2.54%
Mrs. Manjula Jhunjhunwala	5,56,743	1.42%	5,56,743	1.46%
Krishna kumar Jhunjhunwala (HUF)	16,000	0.04%	16,000	0.04%

(vi) During the year the Company has allotted 10,89,600 equity shares at ₹82.21 per equity share upon exercise of share options vested in terms of TSOP -2021 plan.

16. Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve	37.32	37.32
Securities Premium	2,374.53	1,172.16
Employees Share Base payment Reserve	140.24	227.15
General Reserve	550.00	550.00
Retained Earnings	18,295.53	14,904.77
Other Comprehensive Income	(167.65)	(130.64)
Total	**21,229.97**	**16,760.76**

16.1 The movement in other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Reserve		
Balance at the beginning of the year	37.32	37.32
Add: transferred during the year	-	-
Balance at the end of the year	**37.32**	**37.32**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

16. Other equity *Contd.*

16.1 The movement in other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Securities Premium		
Balance at the beginning of the year	1,172.16	1,172.16
Add: Received during the year (on issue of shares upon exercise of share options vested in terms of TSOP- 2021 Plan)	786.79	-
Add: transferred during the year	415.58	
Balance at the end of the year	**2,374.53**	**1,172.16**
Employees Share Base payment Reserve		
Balance at the beginning of the year	227.15	-
Add: transferred during the year	328.67	227.15
Less: transferred during the year	(415.58)	
Balance at the end of the year	**140.24**	**227.15**
General Reserve		
Balance at the beginning of the year	550.00	550.00
Add: transferred during the year	-	-
Balance at the end of the year	**550.00**	**550.00**
Retained Earnings		
Balance at the beginning of the year	14,904.77	11,058.74
Add: Profit for the year	4,330.79	4,607.60
Less: Dividend paid	940.03	761.57
Balance at the end of the year	**18,295.53**	**14,904.77**
Other Comprehensive Income		
Balance at the beginning of the year	(130.64)	(112.28)
Add: for the year	(30.82)	(27.03)
Foreign Currency Transition Reserve	(6.19)	8.67
Balance at the end of the year	**(167.65)**	**(130.64)**

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 is used to record premium received on issue of shares. This reserve will be utilized in accordance with the provisions of the Act.

Employees Share Base payment Reserve : Represents fair value of the options granted which is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

16. Other equity *Contd.*

General Reserve: General reserve represents free reserves of the Company created through transfer of profits from retained earnings.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Dividend on equity shares declared and paid*		
Final dividend for the year ended 31st March 2023 ₹2.40 per share (P.Y.: ₹2/- per share)	940.03	761.57
Total	940.03	761.57
Proposed dividend on equity shares		
Final dividend proposed for the year ended 31st March 2024 ₹ NIL per share (P.Y.: ₹2.40 per share)	-	913.88
Total	-	913.88

**Including amount of ₹26.15 lakhs paid against shares allotted under TSOP 2021 before record date.*

17A. Borrowings

Long term borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term loans from banks (Refer note a)	459.24	1,296.10
Loans from Non banking Finance Companies (Refer note b)	9,596.56	-
Loan from Government Financial Institution (PIC UP) (Refer note c)	479.07	482.10
Unsecured		
From related parties (Refer note 38)	564.25	401.12
Others	56.81	-
Total	11,155.92	2,179.32

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

17A. Borrowings *Contd.*

Terms of repayment and security:

(a) Term Loans from Banks

The loans are repayable within 6 number of quarterly installments and the interest is payable at 1 Year MCLR + 2.15% and 6 Month MCLR + 2.25%.

The said loans are se cured 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 & building]

ii. Second pari passu charge on entire current assets (present and future) of the company with second 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.

(b) Loans from Non Banking Finance Company

The loans are repayable within 20 & 15 structured quartely installments and the interest is payable at 10.50% per annum & 9.75% per annum respectively

The said loans 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 & building]

ii. Second pari passu charge on entire current assets (present and future) of the company with second 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. The company shall be registering the due charges against this loan as provided for and required by the statutory / regulatory authorities.

c) Loan from Pradeshiya Industrial & Investment Corporation of UP Limited (PICUP)

The above loans are interest free, repayable in the FY 2027-28 and are secured by bank guarantee.

During the year, the tenure of two loans out of total of four loan availed from Pic UP due for repayment in FY 2024-25 was extended and the said loans are now repayable in FY 2027-28 and the resultant impact of ₹18.06 lakhs has been recognized in the Statement of Profit and Loss.

The Company is in the process of completing certain procedural formalities in this respect.

d) Loan from related parties are repayable after term loans from banks are repaid.

The company and its subsidiaries have taken loans from its related parties, repayable after 3 years from the date of disbursement, with a tenure of more than 12 months as on 31st March 2024. The interest cost for these loans is 9%, and these are repayable after 3 years from the date of disbursement of the loan.

e) Unsecured Loan from Others

In one of the subsidiaries, a corporate loan has been sought, repayable after 3 years, with a tenure of more than 12 months as on 31st March 2024, carrying an interest cost of 12%.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

17B. Borrowings

Short term borrowings

(₹ in Lakhs)

Particulars	wAs at 31st March, 2024	As at 31st March, 2023
Secured		
Working capital loans from banks	6,039.91	7,454.32
Current Maturities of long term borrowings	1,167.40	736.24
Total	7,207.31	8,190.56

17.1. Repayment terms:

a) Borrowing Secured Against Current Assets

As at 31st March 2024

(₹ 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-23	Inventory	9,215.84	9,215.84	-	-
		Receivable upto 6 Month	1,944.15	1,944.15	-	-
	30-Sep-23	Inventory	6,368.97	6,368.97	-	-
		Receivable upto 6 Month	2,809.06	2,809.06	-	-
	31-Dec-23	Inventory	6,987.43	6,987.43	-	-
		Receivable upto 6 Month	3,569.66	3,569.66	-	-
	31-Mar-24	Inventory	11,114.05	11,114.05	-	-
		Receivable upto 6 Month	3,805.41	3,805.41	-	-

As at 31st March 2023

(₹ 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-23	Inventory	8,344.24	8,344.24	-	-
		Receivable upto 6 Month	1,993.61	1,993.61	-	-
	30-Sep-23	Inventory	6,554.84	6,554.84	-	-
		Receivable upto 6 Month	2,269.82	2,269.82	-	-
	31-Dec-23	Inventory	6,612.53	6,612.53	-	-
		Receivable upto 6 Month	2,395.77	2,395.77	-	-
	31-Mar-24	Inventory	9,768.62	9,768.62	-	-
		Receivable upto 6 Month	2,236.10	2,236.10	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

e) Scheduled repayments (Contractual repayments)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within one year	7,207.31	8,190.56
Between one to five years*	10,793.23	2,245.15
Over five years*	200.00	152.07

**The above excludes Ind AS adjustments*

Refer note 39 (b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.

f) Term Loan and working capital loans availed from Banks, NBFCs & Government Financial Institution have been utilised for the purpose, for which they have been raised.

18A. Lease Liabilities

Non Current Liabilities- Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	5.98	39.82
Total	5.98	39.82

18B. Lease Liabilities

Current Liabilities- Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	33.84	30.63
Total	33.84	30.63

19. Other Financial Libilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits from customers	430.50	337.50
Total	430.50	337.50

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

20. Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of PPE	2,627.96	2,448.06
Tax effect of items constituting deferred tax liability	2,627.96	2,448.06
Tax effect of items constituting deferred tax assets		
Provision on employee benefits	208.42	205.77
Provision for Share Based Payment	40.84	66.15
Others	(96.57)	(212.35)
Acquisition through business combination	36.05	36.05
Tax effect of items constituting deferred tax assets	188.74	95.62
Total	2,439.22	2,352.44

21. Other non current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Revenue:		
Capital Subsidy	24.00	28.00
Loan from Government Financial Institution (PIC UP)	149.76	128.75
EPCG obligation	44.23	-
Total	217.99	156.75

22. Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade payables:		
- Dues to micro and small enterprises	305.30	286.96
- Other than micro and small enterprises	957.28	617.02
Total	1,262.58	903.98

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

22. Trade Payables *Contd.*

22.1 Disclosure under Section 22 of Micro, Small and Medium enterprises development (MSMED Act, 2006)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Principal amount due and remaining unpaid	305.30	286.96
Interest due and unpaid on the above amount	-	-
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	-	-

Under the Mirco, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company's management, dues to MSME have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the Statutory Auditors. The Management has not provided for interest due (if any) to these MSME parties basis, no claim being made for the same and management representation that the same would be waived. The disclosures as required by Section 22 of the MSMED Act are given above.

22.2 Trade payables

For the year ended 31st March 2024

(₹ 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	305.30	0	0	0	0	305.30
Others	751.40	199.95	5.92	0	0	957.28
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**1,056.70**	**199.95**	**5.92**	**-**	**-**	**1,262.58**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

22. Trade Payables *Contd.*

For the year ended 31st March 2023 (₹ 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	286.96	-				286.96
Others	353.59	257.20	6.23	0	0	617.02
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**640.55**	**257.20**	**6.23**	**-**	**-**	**903.98**

23. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not due on borrowings*	19.48	12.50
Total	**19.48**	**12.50**

**Includes Interest payable to related party ₹16.60 lacs. (P.Y. ₹12.50 lacs). Refer note 38.*

24. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current maturities on deferred revenue on capital subsidy	4.00	4.00
Advance from customers	220.09	352.36
Statutory liabilities	428.49	470.04
Payable on capital goods	311.76	98.40
Unpaid dividend	47.74	42.45
Others	518.37	732.71
Total	**1,530.45**	**1,699.96**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

25A. Provisions

Non Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Leave Encashment	5.50	3.60
Total	5.50	3.60

25B. Provisions

Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Gratuity (Refer no. 37)	63.15	141.77
Provision for Leave Encashment	98.12	77.01
Provision for Bonus	548.98	484.25
Total	710.25	703.03

26. Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Taxes paid (Net of taxes paid in advance)	520.72	139.39
Total	520.72	139.39

27. Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Products		
Paper, Pulp and related products		
Within India	24,966.33	25,787.07

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

27. Revenue from operations *Contd*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Outside India	10,045.29	9,762.32
Moulded Products		
Within India*	5,300.32	5,224.15
Outside India	162.35	57.28
Total	**40,474.29**	**40,830.82**

**Refer note 38 for sale to Related parties*

28. Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest received on fixed deposit and others	121.26	133.38
Export incentives*	231.11	586.38
Subsidy received**	161.47	-
Investments measured at FVTPL	7.96	-
Gain on sale of property, plant and equipment	44.87	39.62
Excess provision for expenses in earlier years written back	11.42	-
Net Gain on foreign currency translation	118.89	167.42
Miscellaneous income	165.80	233.49
Balances written back	0.20	-
Total	**862.98**	**1,160.29**

** ₹ Nil (P.Y. ₹364.91 lakh) has been recognised against the fulfilment of export obligation under EPCG scheme.*

*** During the year, the Company received an Interest subsidy of ₹161.47 lakhs (net of administrative charges) from the Government of Uttar Pradesh under the MSME 2017 policy.*

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

29. Cost of Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw materials	9,493.68	8,869.55
Chemicals	3,342.89	3,766.56
Stores & spares	2,002.59	1,914.90
Packing materials	745.92	851.17
Total	**15,585.08**	**15,402.18**

30. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening Stock		
Finished Goods*	743.04	982.92
Pulp	-	1.45
Work in Progress	62.54	41.02
Total Opening Stock	**805.58**	**1,025.39**
Closing Stock		
Finished Goods*	1,851.61	743.04
Pulp	3.40	-
Work in Progress	123.78	62.54
Total Closing Stock	**1,978.79**	**805.58**
Total	**(1,173.21)**	**219.81**

**Includes Kraft paper, poster paper and moulded products.*

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

31. Employee Benefit Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salary, wages, bonues and incentives	3,628.32	3,508.92
Directors remuneration*	267.44	281.84
Contribution to provident and other funds	137.87	130.18
Share Based Payment	328.67	227.15
Defined benefit plan expenses	77.90	66.45
Workmen and staff welfare expenses	273.40	240.14
Total	**4,713.60**	**4,454.68**

**Refer note 38 for payments made to Related parties*

32. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on		
- Term loan	260.87	335.03
- Others	517.05	559.60
Net loss on foreign currency translation and transactions	-	112.74
Bank and documentation charges	126.82	118.91
Total	**904.74**	**1,126.28**

33. Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on property, plant and equipment	1,351.51	1,223.55
Amortisation on intangible assets & ROU Assets	52.30	51.10
Total	**1,403.81**	**1,274.65**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

34. Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Operating Expenses		
Power and Fuel	6,858.01	6,767.02
Contractor Wages	756.92	555.66
Effluent Treatment Expenses	113.89	119.55
Repairs and Maintenance		
- Building	166.66	114.18
- Machinery	495.93	430.79
- Others	217.68	255.19
Freight, Handling and Other Sales and Distribution expenses	1,466.67	1,706.30
Commission on sales	346.30	265.80
Others		
Rent	64.78	68.34
Insurance	155.56	110.86
Travelling and Conveyance	352.27	403.56
Legal professional and consultation charges	386.50	584.79
Auditor's Remuneration (refer note below)	21.87	15.11
Subscription and Donation	135.69	77.06
Amortisation of deferred income on EPCG license	15.61	20.82
Research and development expenses	52.49	44.31
Printing and Stationery	28.52	30.22
Communication cost	38.83	39.14
Advertisement and Publicity	21.81	18.66
Business Promotion Expenses	227.09	199.04
Loss on Assets Sold / Discarded/scrapped	28.61	91.05
Loss on sale of export incentives	2.27	8.94
Fair valuation of investments	-	0.05
Provision for impairement of Goodwill	408.80	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

34. Other Expenses *Contd*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Manglam Farm Expenses	21.90	27.52
Provision for doubtful receivables and others	72.17	57.73
CSR Expenditure	58.50	137.75
Miscellaneous Expenses	165.84	93.29
Total	12,681.17	12,242.73

Note 34a:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
As Auditors	10.30	7.90
For Limited Review	5.25	4.50
For certification	3.10	2.25
For Reimbursement of Expenses	3.22	0.46
Total	21.87	15.11

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

35. Tax Expenses

(a) Amounts recognized in profit and loss

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax expense		
Current year	2,295.40	1,434.61
Changes in estimates relating to prior years	2.36	-
Total	2,297.76	1,434.61
Deferred tax expense		
Origination and reversal of temporary differences	99.43	650.32
Total	99.43	650.32
Tax expense recognized in the income statement	2,397.19	2,084.93

(b) Amounts recognized in other comprehensive income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024				For the year ended 31st March, 2023			
	Before tax	Tax (expense) benefit	Foreign Currency Transition	Net of tax	Before tax	Tax (expense) benefit	Foreign Currency Transition	Net of tax
Items that will not be reclassified to profit or loss								
Remeasurements of the defined benefit plans	(43.48)	12.66	(6.19)	(37.01)	(38.13)	11.10	8.67	(18.36)
	(43.48)	12.66	(6.19)	(37.01)	(38.13)	11.10	8.67	(18.36)

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amount	%	Amount
Profit before tax		6,737.49		6,692.53
Tax using the Company's domestic tax rate	29.12%	1,961.96	29.12%	1,948.86
Tax effect of:				
Due to permanent differences	-6.15%	(414.60)	-3.59%	(240.37)
Ind AS adjustments	5.84%	393.61	6.00%	401.82
Other Comprehensive Income	0.19%	12.66	0.17%	11.10

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

35. Tax Expenses *Contd*

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	%	Amount	%	Amount
Due to Rate change for Subsidiary	2.28%	153.35	2.34%	156.85
Due to temporary differences	4.08%	275.19	-2.89%	(193.33)
Effective income tax rate	**35.36%**	**2,382.17**	**31.15%**	**2,084.93**

(d) Movement in deferred tax

(₹ in Lakhs)

Particulars	As at 31st March, 2024					
	Net balance 1st April, 2023	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax (Asset)/Liabilities						
On difference between book balance and tax balance of PPE	2,448.06	179.90	-	2,627.96	-	2,627.96
Provision on employee benefits	(205.77)	(15.31)	12.66	(208.42)	208.42	-
Provision for Share Based Payment	(66.15)	25.31	-	(40.84)	40.84	-
Others	212.35	(115.78)	-	96.57	-	96.57
Acquisition through business combination	(36.05)	-	-	(36.05)	36.05	-
Tax assets (Liabilities) (Net)	**2,352.44**	**74.12**	**12.66**	**2,439.22**	**285.31**	**2,724.53**

(₹ in Lakhs)

Particulars	As at 31st March, 2023					
	Net balance April 1, 2022	Recognized in profit or loss	Recognized in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax (Asset)/Liabilities						
On difference between book balance and tax balance of PPE	2,395.04	53.02	-	2,448.06	-	2,448.06
Provision on employee benefits	(139.38)	(77.49)	11.10	(205.77)	205.77	-
Unused tax credits	(665.32)	665.32	-	-	-	-
Provision for Share Based Payment	-	(66.15)	-	(66.15)	66.15	-
Others	158.93	53.42	-	212.35	-	212.35
Acquisition through business combination	(36.05)	-	-	(36.05)	36.05	-
Tax assets (Liabilities) (Net)	**1,713.22**	**628.12**	**11.10**	**2,352.44**	**307.97**	**2,660.41**

Note : In view of uncertainty regarding future profits, Deferred Tax Assets has not been recognized in the accounts of Subsidiary Company.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

36. Earnings per share

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Basic Earnings per share		
Profit for the year	4,340.30	4,607.60
Weighted average number of equity shares outstanding	3,87,09,634.00	3,80,78,500.00
Basic EPS	**11.21**	**12.10**
Diluted Earnings per share		
Profit for the year	4,340.30	4,607.60
Weighted average number of equity shares outstanding	3,87,09,634.00	3,80,78,500.00
Add: Weighted average number of potential equity shares on account of employee stock options	2,62,829.00	1,97,265.00
Weighted average number of equity shares outstanding for diluted EPS	3,89,72,463.00	3,82,75,765.00
Diluted EPS	**11.14**	**12.04**

37. Employee Benefit Disclosures

I. Defined Contribution plan

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 31)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employer's contribution to Provident Fund	103.94	105.07
Total	**103.94**	**105.07**

II. Defined benefit plans

A. Gratuity

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.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at 31st March, 2024 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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(A) Movements in net defined benefit (asset)/ liability

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Defined obligations at the beginning of the year	595.64	495.92
Current service cost	67.66	56.51
Interest cost	43.01	36.20
Past service costs	-	-
Benefits paid	(60.05)	(25.95)
Actuarial (gain)/loss		
- change in demographic assumptions	-	-
- change in financial assumptions	16.79	4.53
- experience variance	27.89	28.43
Defined benefit obligation as at end of the year	**690.94**	**595.64**

(B) Movements in the fair value of plan assets

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Fair value at beginning of the year	453.88	359.80
Investment income	32.76	26.27
Return on plan assets	1.20	(5.17)
Actual return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-
Contributions by the employer	200.00	98.93
Other adjustments	-	-
Benefits paid	(60.05)	(25.95)
Fair value of plan assets as at end of the year	**627.79**	**453.88**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(C) Amount recognized in the balance sheet

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Present value of defined benefit obligation as at end of the year	690.94	595.64
Fair value of plan assets as at end of the year	627.79	453.88
As at year end	**(63.15)**	**(141.76)**

(D) Amounts recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Current service cost	67.66	56.51
Past service cost	-	-
Net interest income/ (cost) on the net defined benefit liability (Asset)	10.24	9.94
Total	**77.90**	**66.45**

(E) Amounts recognized in other comprehensive income

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Actuarial (gains) / losses due to :		
- change in demographic assumptions	-	-
- change in financial assumptions	16.79	4.53
- experience variance	27.89	28.43
Return on plan assets	(1.20)	5.17
Total	**43.48**	**38.13**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(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)	
	31-Mar-24	31-Mar-23
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 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)	
	31-Mar-24	31-Mar-23
DBO On base assumptions		
A. Discount Rate (- / + 1%)		
Discount Rate Increase	627.65	542.95
1. Effect due to 1% increase in discount rate	-9.16%	-8.85%
Discount Rate Decrease	765.46	657.64
2. Effect due to 1% decrease in discount rate	10.79%	10.41%
B. Salary Growth Rate		
Salary Growth Rate Increase	767.91	659.91
1. Effect due to 1% increase in discount rate	11.14%	10.79%
Salary Growth Rate Decrease	624.60	540.22
2. Effect due to 1% decrease in discount rate	-9.60%	-9.31%
C. Attrition Rate		
Attrition Rate Increase	701.97	606.41
1. Effect due to 50% increase in discount rate	1.60%	1.81%
Attrition Rate Decrease	678.37	583.41
2. Effect due to 50% decrease in discount rate	-1.82%	-2.05%

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(G) Sensitivity analysis

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
D. Mortality Rate		
Mortality Rate Increase	693.04	597.63
1. Effect due to 10% increase in discount rate	0.30%	0.33%
Mortality Rate Decrease	688.78	593.62
2. Effect due to 10% decrease in discount rate	-0.31%	-0.34%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(H) The expected future cash flows as at 31st March, 2024 were as follows:

(₹ in Lakhs)

Summary of Assets and Liabilities	Amount (₹ In lakhs)
31.03.2020	(58.87)
31.03.2021	(27.57)
31.03.2022	(136.12)
31.03.2023	(141.77)
31.03.2024	(63.15)

(I) Expected Cash flows over the next

(₹ in Lakhs)

Summary of Assets and Liabilities	Amount (₹ In lakhs)
1 year	62.64
2 to 5 years	218.06
6 to 10 years	249.86
More than 10 years	1116.48

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

37. Employee Benefit Disclosures *Contd*

(J) Leave Encashment

i) 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 is available for encashment on separation from the Company up to a maximum of 30 days.

ii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

iii) Short term compensated absences have been provided on actual basis.

(K) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

L) General assumptions

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	31-Mar-24	31-Mar-23
Discount rate (per annum)	6.97%	7.22%
Withdrawal rate	2.00%	2.00%
Rate of increase in salaries	5.00%	5.00%

i) Mortality rates considered are as per the published rates in the India Assured Lives Mortality 2012-14 (Previous year: India Assured Lives Mortality (2012-14) (Modified) ULT.) mortality table.

ii) 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.

iii) The contribution to be made by the Group for funding its liabilities for gratuity during the financial year 2023-24 amounts to ₹200.00 lakhs (PY ₹98.93 Lakhs).

iv) 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.

v) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. 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)	Gautam Ghosh (from 24.11.2023)	Executive Director
(c)	Narendra Kumar Agrawal (upto 30.07.2022)	Director Works
(d)	Ramjee Subramanian	Whole Time Director -Pakka Impact Limited
(e)	Vignesh Kannan (up to 03.07.2023)	Executive Director - Pakka Impact Limited

2. Non - Executive Directors

(a)	Ved Krishna	Non- Independent & Non- Executive Director in Holding Co. Pakka Limited and also Director in Subsidiary Co.'s Pakka Inc. & Pakka Impact
(b)	Manjula Jhunjhunwala	Non- Independent & Non- Executive Director
(c)	Kimberly Ann McArthur	Non- Independent & Non- Executive Director
(d)	Pradeep Vasant Dhobale	Independent Director
(e)	Indroneel Banerjee	Independent Director
(f)	Atul Kumar Gupta	Independent Director
(g)	Basant Kumar Khaitan	Independent Director
(h)	Himanshu Kapoor (from 29.10.2022)	Non- Independent & Non- Executive Director
(i)	Shubham Ashok Tibrewal (from 12.08.2023)	Independent Director
(j)	Rahul Krantikumar Dharmadhikary (from 05.09.2023)	Independent Director

3. Other Key Management Personnel

(a)	Neetika Suryawanshi (From 26.12.2022)	Chief Financial Officer in Holding Co. Pakka Limited & Director in Subsidiary Pakka Impact Limited
(b)	Jignesh Shah (upto 24.11.2022)	Chief Financial Officer
(c)	Sachin Kumar Srivastava (From 10.08.2022)	Company Secretary
(d)	Bhavna Kodarbhai Patel (upto 30.07.2022)	Company Secretary

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

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

(e) K. K. Jhunjhuwala HUF

(f) AMJ Land Holdings Limited

(g) WMW Metal Fabrics Limited

(h) Pudumjee Paper Products Limited.

(i) Kapoor Tandon & Company (from 29.10.2022 upto 31.03.2023)

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
INCOME						
Sales net of discount/incentives						
Pudumjee Paper Products Limited.	-	-	675.68	829.29	675.68	829.29
Gautam Ghosh	0.75	-			0.75	-
Received from services and others						
Jingle Bell Nursery School Society	-	-	1.44	1.46	1.44	1.46
Pakka Foundation			0.01	-	0.01	-
Rent received						
Yash Agro Products Limited	-	-	0.24	0.24	0.24	0.24
Interest on loan						
Jagdeep Hira	3.75	-			3.75	-
EXPENSES						
Purchases						
WMW Metal Fabrics Limited	-	-	64.37	99.98	64.37	99.98
Satori Global Limited	-	-	96.55	84.20	96.55	84.20

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Loss/(gain) on investments measured at FVTPL						
AMJ Land Holdings Limited	-	-	0.06	0.05	0.06	0.05
Interest on unsecured loan						
Yash Agro Products Limited			33.92	34.92	33.92	34.92
Satori Global Limited			1.80	1.82	1.80	1.82
Donation paid						
Pakka Foundation			57.50	65.50	57.50	65.50
Jingle Bell Nursery School Society			-	33.00	-	33.00
Dividend Paid						
Ved Krishna	332.27	276.89			332.27	276.89
Manjula Jhunjhunwala	13.36	11.13			13.36	11.13
Satori Global Limited			80.03	66.69	80.03	66.69
Yash Agro Products Limited			23.25	19.37	23.25	19.37
K. K. Jhunjhunwala, HUF			0.38	0.32	0.38	0.32
Jagdeep Hira	7.20	-			7.20	-
Sachin Kumar Srivastava	0.07	-			0.07	-
Remuneration						
Ved Krishna	246.66	192.72			246.66	192.72
Jagdeep Hira	247.89	246.76			247.89	246.76
Narendra Kumar Agarwal	-	20.41			-	20.41
Neetika Suryawanshi	89.78	21.31			89.78	21.31
Jignesh Shah	-	48.83			-	48.83
Sachin Kumar Srivastava	31.98	19.49			31.98	19.49
Bhavna Kodarbhai Patel	-	6.79			-	6.79
Gautam Ghosh	7.54	-			7.54	-
Vignesh Kannan		5.00			-	5.00

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Ramjee Subramanian	43.43				43.43	-
Sitting Fees						
Manjula Jhunjhunwala	1.96	1.20			1.96	1.20
Kimberly Ann McArthur	2.91	2.10			2.91	2.10
Pradeep Vasant Dhobale	4.23	2.66			4.23	2.66
Atul Kumar Gupta	4.20	2.80			4.20	2.80
Indroneel Banerjee	4.59	2.41			4.59	2.41
Basant Kumar Khaitan	3.69	2.36			3.69	2.36
Ved Krishna	4.80	1.75			4.80	1.75
Himanshu Kapoor	4.20	1.75			4.20	1.75
Shubham Ashok Tibrewal	2.80	-			2.80	-
Rahul Krantikumar Dharmadhikary	0.85	-			0.85	-
Consultancy Charges						
Kapoor Tandon & Company			-	24.00	-	24.00
Kimberly Ann McArthur	49.68	47.44	-		49.68	47.44
Vignesh Kannan	2.70	19.00	-		2.70	19.00
Rent Paid						
Ved krishna	36.00	30.00			36.00	30.00
Pension						
Manjula Jhunjhunwala	12.00	12.00			12.00	12.00
OTHER TRANSACTIONS						
Salary Advance paid						
Sachin Kumar Srivastava	7.47	-			7.47	-
Jagdeep Hira	27.16	-			27.16	-
Salary Advance repaid						
Sachin Kumar Srivastava	2.47				2.47	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

b) Details of transactions with related parties during the year

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Jagdeep Hira	27.16				27.16	-
Loans given						
Jagdeep Hira	219.47				219.47	-
Loans Repaid						
Jagdeep Hira	219.47				219.47	-
Amount received on allotment of TSOP 2021						
Sachin Kumar Srivastava (3,000 shares)	2.47				2.47	-
Jagdeep Hira (3,00,000 shares)	246.63				246.63	-

c) Outstanding balances with related parties:

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Assets						
Investments						
AMJ Land Holdings Limited	-	-	0.17	0.11	0.17	0.11
Advances Paid						
Sachin Kumar Srivastava	5.00	-			5.00	-
Receivable For Services/others						
Jingle Bell Nursery School Society			0.02	0.07	0.02	0.07
Satori Global Limited			0.15	-	0.15	-
Ved krishna			9.33	-	9.33	-
Trade Receivables						
Pudumjee Paper Products Limited.	-	-	86.63	12.44	86.63	12.44

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

38. Related party relationships, transactions and balances: *Contd*

c) Outstanding balances with related parties:

(₹ in Lakhs)

Particulars	KMP		Enterprises over which the KMP have significant influence		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Liabilities						
Unsecured Loans						
Yash Agro Products Limited			350.00	240.00	350.00	240.00
Satori Global Limited			20.00		20.00	-
Ved Krishna	208.00	208.00			208.00	208.00
Kimberly Ann McArthur		50.01			-	50.01
Interest payable on unsecured loans						
Yash Agro Products Limited			25.53	34.02	25.53	34.02
Satori Global Limited			1.62	1.82	1.62	1.82
Payable For Services/others						
Ved Krishna		0.31			-	0.31
Trade Payable						
WMW Metal Fabrics Limited			8.69	4.69	8.69	4.69
Guarantees						
Personal Gurantees						
Ved Krishna	35,864.00	15,864.00			35,864.00	15,864.00
Manjula Jhunjhunwala	35,864.00	15,864.00			35,864.00	15,864.00
Corporate Guarantees						
Satori Global Limited			35,864.00	15,864.00	35,864.00	15,864.00
Yash Agro Products Limited			35,864.00	15,864.00	35,864.00	15,864.00

d) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The transactions with related parties are made in the ordinary course of business. No provisions are held against receivables from related parties.Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

e) Other Notes

No amount has been written off/back or provision made for loss allowance during the year in respect of related parties except as disclosed above.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. 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 Group.

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 17 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, 2024	As at 31st March, 2023
Debt	18,363.23	10,369.88
Less: Cash and cash equivalent including short term deposits (restricted)	7,007.42	697.27
Net debt (A)	**11,355.81**	**9,672.61**
Total equity (B)	**25,146.78**	**20,564.10**
Debt Equity Ratio (A/B)	**0.45**	**0.47**

(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:

a) 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.

b) 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).

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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial Assets				
Financial assets measured at fair value				
Investments measured at FVTPL	-	0.19	-	0.14
Investments in Mutual fund		117.90		110.00
Financial assets measured at amortized cost				
Loans	231.15	-	51.04	-
Trade Receivables	4,000.85	-	2,443.81	-
Cash and cash equivalents	5,517.50	-	100.12	-
Bank balances other than cash and cash equivalents	1,489.92	-	597.15	-
Other financial assets	166.68	-	165.06	-
Total	**11,406.10**	**118.09**	**3,357.18**	**110.14**
Financial Liabilities				
Financial liabilities measured at amortized cost				
Borrowings	18,363.23	-	10,369.88	-
Lease Liability	39.82		70.45	
Trade and other payables	1,262.58	-	903.98	-
Other financial liabilities	449.98	-	350.00	-
Total	**20,115.61**	**-**	**11,694.31**	**-**

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 Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	Level 1	Level 1	Level 1	Total
As at 31st March, 2024				
Assets at fair value				
Investments measured at FVTPL	118.09	-	-	118.09
As at 31st March, 2023				
Assets at fair value				
Investments measured at FVTPL	110.14	-	-	110.14

(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 the agreed divisional payment terms are : (i) Paper & Pulp - Domestic Sale 20 days, Export Sale 30-90 days. (ii) Moulded - 30 days. 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, 2024, the Group's top three customers accounted for ₹1082.53 lakhs ((P.Y. ₹1150.27 lakhs) of the trade and other receivables carrying amount .

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

Expected credit loss assessment for customers:

The following table provides information about the exposure to credit risk and ECLs for trade receivables :

As at 31st March, 2024 (₹ in Lakhs)

Particulars	Gross carrying amount	Weighed average loss rate - range	Loss allowance
0 to 1 year	3,937.10	0%	-
1 to 2 years	0.25	5%	0.01
2 to 3 years	-	10%	-
3 years and above	59.94	75%	44.96
Specific provision	97.60	50%	48.80
Total	4,094.89		93.77

As at 31st March, 2023 (₹ in Lakhs)

Particulars	Gross carrying amount	Weighed average loss rate - range	Loss allowance
0 to 1 year	2,356.14	0%	-
1 to 2 years	1.51	5%	0.08
2 to 3 years	15.75	10%	1.57
3 years and above	62.95	75%	47.21
Specific provision	112.65	50%	56.32
Total	2,549.00		105.18

Movement in the expected credit loss allowance: (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	105.18	94.91
Add: Provision made / (reverse) during the year	(11.41)	10.27
Balance at the end of the year	93.77	105.18

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

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 ₹5517.50 lakhs at 31st March, 2024 (P.Y.: ₹100.12 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 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.

(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 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 :

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	1,161.06	145.82	176.37	163.53
Euro	-	-	41.47	-
AED	-	-	2.11	6.02
Total	**1,161.06**	**145.82**	**219.95**	**169.55**

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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Impact on profit before tax		
USD	50.76	0.64
Euro	-	2.07
AED	-	(0.20)
Total	**50.76**	**2.51**

(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, 2024 and 2023, financial liability of ₹7356.55 Lakhs and ₹9436.65 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 ₹18.39 lakhs and ₹23.59 lakhs for the year ended 31st March, 2024 and 2023, 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 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 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.

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:

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

39. Financial Instruments *Contd*

(₹ in Lakhs)

Particulars	As at 31st March, 2024			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	7,207.31	10,793.23	200.00	18,200.54
Trade and other payables	1,262.58	-	-	1,262.58
Lease liability	2.15	0.03	-	2.18
Total financial liabilities	**8,472.04**	**10,793.26**	**200.00**	**19,465.30**

(₹ in Lakhs)

Particulars	As at 31st March, 2023			
	Within One Year	One to five years	More than five years	Total
Financial instruments:				
Borrowings	8,190.56	2,245.15	152.07	10,587.78
Trade and other payables	903.98			903.98
Lease liability	5.37	2.18		7.55
Total financial liabilities	**9,099.91**	**2,247.33**	**152.07**	**11,499.31**

(IV) **Other price risk:**

The Group is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2024. 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 Consolidated Financial Statements for the year ended 31 March, 2024

40. 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) Pap4er, 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 the Managing Director.

The measurement principles of segments are consistent with those used in Material Accounting Policies.

Contractual maturities of financial liabilities

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Paper	Moulded Product	Total	Paper	Moulded Product	Total
REVENUE	35,711.40	5,625.88	41,337.28	36,708.73	5,282.38	41,991.11
Unallocable Revenue	-	-	-	-	-	-
TOTAL REVENUE	35,711.40	5,625.88	41,337.28	36,708.73	5,282.38	41,991.11
RESULTS						
Profit/ loss before interest	7,403.42	468.70	7,872.12	8,447.13	(459.39)	7,987.74
Less: interest	(615.97)	(288.76)	(904.74)	(798.33)	(327.94)	(1,126.27)
Unallocable Expenses	-	-	(229.94)	-	-	(168.94)
Total profit before tax	6,787.45	179.93	6,737.44	7,648.80	(787.33)	6,692.53
Provision for taxation			2,397.19			2,084.93
Net Profit	6,787.45	179.93	4,340.25	7,648.80	(787.33)	4,607.60
Other information						
Assets	49,671.49	804.73	50,476.22	35,028.01	2,073.19	37,101.20
Unallocable Assets	-	-	210.31	-	-	212.26
Liabilities	19,822.66	2,083.30	21,905.96	9,951.31	3,531.69	13,483.00
Unallocable Liabilities	-	-	3,633.79	-	-	3,266.36

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

40. Segmental Information *Contd*

Additional Information by Geographies

Although the Company's operations are managed by product area, we provide additional information based on geographies.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue by geographical market		
Within India	30,266.65	31,011.22
Outside India	10,207.64	9,819.60
Total	**40,474.29**	**40,830.82**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue by geographical market		
Within India	25,358.89	21,957.75
Outside India	1,272.20	372.51
Total	**26,631.09**	**22,330.26**

Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Paper, pulp and other products	35,011.62	35,549.39
Total	**35,011.62**	**35,549.39**

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.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

41. 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, 2024	31st March, 2023
Types of Goods		
Paper	29,674.37	29,520.32
Pulp	4,370.27	5,180.61
Egg Tray	537.37	432.80
Baggasse Pith Pallets	429.61	415.66
Moulded products	5,462.67	5,281.43
Total	**40,474.29**	**40,830.82**
Sales by Geographical location		
India	30,266.65	31,011.22
Outside India	10,207.64	9,819.60
Total	**40,474.29**	**40,830.82**
Sale Channels		
Directly to Consumers	3,474.85	2,691.61
Through intermediaries	36,999.44	38,139.21
Total	**40,474.29**	**40,830.82**
Sales by performance obligation		
Upon Shipment/ Dispatch	40,474.29	40,830.82
Upon Delivery	-	-
Total	**40,474.29**	**40,830.82**

II. Reconciliation between revenue with customers and contract price:

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Revenue as per contracted price	40,508.02	40,862.23
Adjustments		
Discounts/ Rebates	(33.73)	(31.41)
Revenue from contracts with Customers	**40,474.29**	**40,830.82**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

41. Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customers *Contd*

III. Reconciliation of the revenue from contracts with the amounts disclosed in the segment information

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Total revenue from contracts with customer	40,474.29	40,830.82
Total revenue as per Segment		-
- Paper, pulp and other products	35,011.62	35,549.39
- Moulded products	5,462.67	5,281.43

IV. Contract Balances

(₹ in Lakhs)

Particulars	31st March, 2024	31st March, 2023
Trade Receivables	4,001.26	2,443.81
Contract Liabilities	220.09	352.36

42. 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, 2024	As at 31st March, 2023
Lease rent	52.81	45.32

As Lessor

The following table sets out a maturity analysis of lease payaments, showing undiscounted lease payments to be received after the reporting period.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within one year	36.00	36.00
Between one to five years	6.00	42.00
Beyond five years	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

42. Disclosure in terms of Ind AS 116 *Contd*

Finance Leases

Amounts recognised in the Balance Sheet

A company has finance lease arrangement for various land leases for terms of 57- 73 years . The carrying amount of these assets are shown below: (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Land		
Gross Carrying Amount	181.25	181.25
Accumulated Depreciation	23.44	21.12
Depreciation recognized in statement of profit and loss	2.32	2.33

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement

A. Description of share-based payement arrangement

Share Option Programme (Equity Settled)

The members of the Holding Co. had approved the YASH TEAM STOCK OPTION PLAN – 2021' ('TSOP'/ 'Plan') at the extra ordinary general meeting held on 6th May 2022. The plan envisaged grant of share options to eligible employees at market price as defined in Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations').The Plan covers eligible employees (except promoters or those belonging to the promoters' Holding Co., independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Holding Co.). Under the Scheme, the Nomination and Remuneration Committee of directors of the Holding Co., administers the Scheme and grants stock options to eligible directors or employees of the Holding Co..The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 20,00,000 (Twenty Lakhs Only) equity shares of the Holding Co.

(i) Tranch-I: Pursuant to above, during FY 2022-23, the Holding Co. has granted 14,16,600 options at an exercise price of INR 82.21 per option, to the employees of the Holding Co.. Under the terms of the plan, these options are vested on a graded vesting basis over a maximum period of 1 year from the date of grant and are to be exercised either in part(s) or full, within a maximum period of 3.5 years from the date of last vesting. During the year the Holding Co. has allotted 10,89,600 equity shares at ₹82.21 per equity share upon exercise of share options vested in terms of TSOP -2021 plan. The remaining options would have to be exercised by the concerned eligible team of the Holding Co., before the end date i.e., 31st December, 2026 from the date of respective vesting.

(ii) Tranch-II: Pursuant to above, during FY 2023-24, the Holding Co. has granted 1,25,400 options at an exercise price of INR 118.13 per option, to the employees of the Holding Co.. Under the terms of the plan, these options are vested on a graded vesting basis over a maximum period of 1 year from the date of grant and are to be exercised either in part(s) or full, within a maximum period of 2.5 years from the date of last vesting.The said options would have to be exercised by the concerned eligible team of the Holding Co., before the end date i.e., 31st December, 2026 from the date of respective vesting.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement *Contd*

Particulars	Tranch-I	Tranch-II
	TSOP 2021	TSOP 2021
Date of Grant	7th July,2022	2nd September,2023
Date of Board/NRC Approval	7th July,2022	2nd September,2023
Date of Shareholders' Approval	6th May 2022	6th May 2022
Maximum number of shares under the plan	20,00,000	20,00,000
Method of settlement (cash/equity)	Equity	Equity
Vesting period (maximum)	1 Year	1 Year
Exercise period from the date of vesting (maximum) (In Years)	3.5	2.5
Options granted	14,16,600	1,25,400
Options exercised during the year	10,89,600	-
Option Lapsed during the Year	63,300	-
Vesting conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Table Representing general terms of the grants of the ESOP outstanding as on 31st March 2024

Particulars	Tranch	Grant Date	No. of Options Outstanding	Exercise Price	Weighted Average Remaining Life	Vesting Period
YASH TEAM STOCK OPTION PLAN - 2021	Tranch-I	7th July,2022	2,63,700	82.21	2	1 Year
YASH TEAM STOCK OPTION PLAN - 2021	Tranch-II	2nd Sept.,2023	1,25,400	118.13	2	1 Year

B. Measurement of Fair Value

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

43. Disclosure in terms of Ind AS 102 on the Share-based Payment Arrangement *Contd.*

Particulars	Tranch-I	Tranch-II
	TSOP 2021	TSOP 2021
Date of Grant	7th July,2022	2nd September,2023
Fair value of options at grant date	27.40	79.37
Share price at grant date	95.51	181.44
Exercise price	82.21	118.13
Expected volatility (weighted-average)	24.19%	38.06%
Expected life (weighted-average)	2.01	2.17
Risk-free interest rate	7.19%	7.29%

C. Reconciliation of Outstanding Share Options

The number and weighted-average exercise prices of share options under the share option programme were as follows.

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Options outstanding as at the beginning of the year	14,16,600	82.21	-	-
Add: Options granted during the year	1,25,400	118.13	14,16,600	82.21
Less: Options lapsed during the year	63,300	82.21	-	-
Less: Options exercised during the year	10,89,600	82.21	-	-
Options outstanding as at the year end	3,89,100	85.13	14,16,600	82.21
Exercisable as at year end	2,63,700	82.21	-	-
Weighted - average contractual life	2		2	-

D. Expense recognised in Standalone Statement of Profit and Loss(Refer Note 31)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equity settled share based payments *	328.67	227.15

*During the year, the company revised the estimate of the number of Options to be exercised from 80% to 90% in Q-4 and accordingly the additional expenses of ₹92.20 Lakhs has been recognised in the Statement of Profit & Loss.

E. All the Options were exercised on 2nd September, 2023 and the exercise price on the date of exercise of share options was ₹82.21

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

44. Expenditure on Research and Development

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Capital Expenditure	13.92	-
Revenue Expenditure	52.49	44.31

45. Subsidiary

(₹ in Lakhs)

Nature of subsidiary	Country of Incorporation	Principal activity	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2024	As at 31st March, 2023
Pakka Inc. USA	U.S.A.	Marketing actitivy	100%	100%
Pakka Pte Limited, Singapore	Singapore	Digital Platform for compostable products and related activities	100%	100%
Pakka Impact Limited, India	India	Innovation in Regenerative packaging	**100%**	**97.50%**

46. Non-Controlling Interests (NCI)

A) Below is the list of the party owned subsidiary of the Company and the respective share of the non-controlling interests

(₹ in Lakhs)

Nature of subsidiary	Country of Incorporation	Principal activity	Proportion of Non controlling interests (%)	
			As at 31st March, 2024	As at 31st March, 2023
Pakka Impact Limited	India	Innovation in Regenerative packaging	0%	2.50%

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

B) The following table comprises the information relating to Group Subsidiary Co. Pakka Impact Limited that has material Non - Controlling interests before any intra group eliminations:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
NCI%		2.50%
Non- Current Assets		151.28
Current Assets		168.12
Non- Current Liabilities		397.34
Current Liabilities		39.88
Net Assets		(117.82)
Net Assets Attributable to NCI		(2.95)
Revenue		12.13
Profit		(231.61)
Other Comprehensive Income		0.00
Total Comprehensive Income		(219.48)
Cash Flow from Operating activities		(363.42)
Cash Flow from investing activities		(132.95)
Cash Flow from financing activities		500.15
Net Increase/(decrease) in cash and cash equivalents		3.78
Dividend paid to NCI		0.00

** 100% holding as at 31st March 2024

47. Contingencies

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Claims against the Company not acknowledged as debts:		
- Value add Tax (UP)	3.26	3.96
- Guarantees given by Banks	641.29	651.29
- Letter of Credits	1,649.01	-
Total	**2,293.56**	**655.25**

Notes forming part of the Consolidated Financial Statements for the year ended 31 March, 2024

48. Capital and other commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated value of contracts remaining to be executed on capital account (net of advance paid)	7,066.39	272.10
Other commitments - EPCG licenses	44.23	
Total	**7,110.62**	**272.10**

49. Other disclosures as per amended Schedule III-

(i) The Group do not have any transactions with Companies stuck off.

(ii) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

(iii) 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.

(iv) 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 31 March, 2024

(v) 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.

(vi) The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

(vii) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237of the Companies Act, 2013

(viii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

(ix) The Group 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.

Notes

Notes

CORPORATE INFORMATION

Board of Directors

Mr. Pradeep Vasant Dhobale,
Chairman (Independent Director)

Mr. Ved Krishna,
Vice-Chairman (Promoter)

Mr. Jagdeep Hira,
Managing Director (KMP)

Mr. Gautam Ghosh,
Executive Director (KMP)

Mrs. Manjula Jhunjhunwala,
Director (Promoter)

Mrs. Kimberly Ann McArthur,
Director (Promoters' Group)

Mr. Himanshu Kapoor,
Non-Executive Director

Mr. Basant Kumar Khaitan,
Independent Director

Mr. Shubham Ashok Tibrewal,
Independent Director

Mr. Rahul Krantikumar Dharmadhikary,
Independent Director

Mr. Alok Ranjan,
Independent Director

Mrs. Ann Kay Warrington,
Independent Director

Chief Financial Officer (KMP)

Mrs. Neetika Suryawanshi

Company Secretary & Legal Head (KMP)

Mr. Sachin Kumar Srivastava

Secretarial Auditors

Mr. Amit Gupta
Amit Gupta & Associates
Practicing Company Secretaries

C-17, Vinay Nagar, Krishna Nagar,
Lucknow - 226023

Phone: 7905798954
Mobile: 9415005108

Email: amitguptacs@gmail.com

Statutory Auditors

CNK & Associates LLP
501, 502, Narain Chambers, 5th Floor, M.G. Road,
Vile Parle (E), Mumbai - 400057

Legal Advisor

Mr. Sudheer Sharma
Senior Advocate

House No.500, 3rd Lane, Sri Ram Puram Colony,
Devkali Bypass, Ayodhya, Uttar Pradesh - 224001

Registrar and Share Transfer Agent

Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhla Industrial Place Phase-1,
New Delhi - 110020

Phone: 011-26812682-83

Email: admin@skylinerta.com

Works and Corporate office

Pakka Limited
Yash Nagar, Ayodhya, Uttar Pradesh - 224135

Phone: +91 5278 258174

Website: https://pakka.com/
Email: connect@pakka.com

Registered office

Pakka Limited
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B-49, Birhana Road, Kanpur
Uttar Pradesh - 208001

PAKKA
Packaging with a Soul

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