



AJ PACKAGING LIMITED

29th ANNUAL 2023-24 REPORT

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A J PACKAGING LIMITED

29th

ANNUAL REPORT

2023-2024

A J PACKAGING LIMITED

BOARD OF DIRECTORS

Shri Ajay Agarwal
Shri Nitin Agarwal
Shri Theegala Venkateswar Rao
Shri Chennaiah Athota (01.04.20223 - 31.03.2024)
Shri Rajesh Jasti (w.e.f. 25.09.2023)
Smt. Ridhi Bansal (24.01.2024 - 31.03.2024)

STATUTORY AUDITORS

M/s Chowdary & Rao
Chartered Accountants
1st floor, Srikrishna Devaraya nagar colony,
Opposite RBI Quarters, Yellareddyguda,
Hyderabad - 500073

COST AUDITORS

M/s Jithendra Kumar & Co.,
Cost Accountants
Hyderabad, Telangana

BANKERS

DBS BANK INDIA LIMITED
Rajbhavan Road, Hyderabad

STANDARD CHARTERED BANK
Rajbhavan Road, Hyderabad

ICICI BANK LIMITED
Gachibowli, Hyderabad

YES Bank LIMITED
Begumpet, Secunderabad

REGISTERED OFFICE

Plot No.120,
CIE, Gandhinagar, Hyderabad.
040 - 2308 6604, 2317 6031
mail@ajpack.net , accounts@ajpack.net
Website: <http://www.ajpack.net>

CORPORATE OFFICE

Plot No.341 / A,
Road No.23 / A, Jubilee Hills,
Hyderabad.



AJ PACKAGING LIMITED

NOTICE TO SHARE HOLDERS



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AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of AJ Packaging Limited (CIN: U74999TG1995PLC020965), will be held on Monday, the 30th day of September, 2024 at 11:00 A.M at the Registered Office of the Company situated Plot No. 120, CIE, Gandhinagar, Balanagar, Hyderabad - 500037, Telangana to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 - ADOPTION OF STANDALONE FINANCIAL STATEMENT AND REPORT OF BOARD OF DIRECTORS AND AUDITORS THEREON:

To receive, consider and adopt 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; and in this regard, pass the following resolution 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 received, considered and adopted."

ITEM NO. 2 - ADOPTION OF CONSOLIDATED FINANCIAL STATEMENT AND REPORT OF BOARD OF DIRECTORS AND AUDITORS THEREON

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, and the report of the Auditors thereon; and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act, 2013, read with applicable rules if any, the Audited Consolidated Financial Statements 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 received, considered and adopted."

ITEM NO. 3 - RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION:

To appoint a director in place of Shri Ajay Agarwal (DIN: 01030320) who retires by rotation and being eligible, offers himself for reappointment:

"RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act, 2013, read with applicable rules if any, in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Ajay Agarwal (DIN: 01030320), who retires by rotation at this meeting being eligible, be and is hereby appointed as a Director of the Company liable to retire by rotation."

ITEM NO. 4 - TO DECLARE DIVIDEND @ 0.50 PER SHARE ON EQUITY SHARES FOR THE YEAR ENDED 31ST MARCH 2024

"RESOLVED THAT pursuant to the provisions of Section 123 of the Companies Act, 2013 read with applicable rules if any, a final dividend of Rs. 0.50 per share on 4836830 Equity shares amounting to Rs. 24,18,415/- as recommended by the Board of Directors of the Company for the year ended March 31, 2024 be and is hereby declared and the same be paid to the eligible members of the Company within 30 days from the date of approval.

SPECIAL BUSINESS:

ITEM NO.5- APPOINTMENT OF MRS. PACHIPULUSU HARIPRASAD SUSHMITHA (DIN: 10492313) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider, if thought fit pass the following resolution with or without modification as **Special resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed thereunder, read with Schedule IV to the Act as amended from time to time, Mrs. Pachipulusu Hariprasad Sushmitha (DIN: 10492313) who has been appointed as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 05.04.2024 by the Board of Directors in terms of section 161 of the Act & based upon the recommendations of the Nomination and Remuneration Committee who holds office till the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office with effect from 05th April, 2024 to 04th April, 2029."

RESOLVED FURTHER THAT Board of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Telangana and to do all such acts, deeds and things to give effect to the aforesaid resolution".

ITEM NO.6- TO APPROVE THE REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2025

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2014 and the Companies (Audit and Auditors) Rules, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s J K & Co., Cost Accountants (FRN. 004010) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 at a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus GST as applicable be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

ITEM NO.7- APPROVAL FOR RELATED PARTY TRANSACTIONS

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

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with A J Cans Private Limited, a related party within the meaning of Section 2(76) of the Act, with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the consolidated turnover of the Company in any financial year or such other threshold limits as may be specified from time to time, up to a maximum aggregate value of Rs.75 crores each for the financial year 2024-25 on such terms and conditions as the Board of Directors may deem fit, in the normal course of business and on arm's length basis.

FURTHER RESOLVED THAT Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Telangana and to do all such acts, deeds and things to give effect to the aforesaid resolution".

FURTHER RESOLVED THAT Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Telangana and to do all such acts, deeds and things to give effect to the aforesaid resolution”.

BY THE ORDER OF THE BOARD

For A J Packaging Limited



Nitin Agarwal

Managing Director

DIN: 06381755

Place: Hyderabad

Date: 05.09.2024

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
2. The instrument of proxy in order to be affective must be deposited at the registered office of the company not less than 48 hours before the meeting.
3. Explanatory statement pursuant to section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.5

Based upon the recommendations of the Nomination and Remuneration Committee & pursuant to Section 161 of the Companies Act, 2013, the Board on 05th April, 2024 appointed Mrs. Pachipulusu Hariprasad Sushmitha (DIN: 10492313) as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) years with effect from 05th April, 2024 to 04th April, 2029. The Company has received the following from Mrs. Pachipulusu Hariprasad Sushmitha:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under subsection (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

A brief justification for her appointment as Independent Director on the Board of the Company is as under:

Mrs. Pachipulusu Hariprasad Sushmitha, is an Accounts & Finance professional. She has an expertise in the field of Finance, Auditing, Taxation and Valuation and she has got good experience in the said fields. She does not hold any shares in the Company. She holds directorship as Director in Y Media Labs Private Limited ([U74140KA2006PTC103837](#))

In compliance with Section 149 read with Schedule IV to the Act, the approval of the Members is sought for the appointment of Mrs. Pachipulusu Hariprasad Sushmitha as an Independent Director of the Company, as a special resolution.

Except Mrs. Pachipulusu Hariprasad Sushmitha, being appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 6

The Board has approved the appointment of M/s J K & Co., Cost Accountants (FRN. 004010) as the Cost Auditors to conduct the audit of the Cost records of the Company for the financial year ending 31st March 2025 at a remuneration as mentioned out in the resolution In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item no.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March 2025.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No. 7

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions ("RPTs") as mentioned in clause (a) to



(g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of an ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

Accordingly, the related party transactions as recommended by the Audit Committee and approved by the Board of Directors are hereby placed before the shareholders for their approval by way of Ordinary Resolution to enable the Company to enter into the Related Party Transactions in one or more tranches, during financial year 2022-23 and 2023-24 and the period from the date of this Annual General Meeting to till the date of next Annual General Meeting, which shall not be more than fifteen months. The approval by the shareholders' is without prejudice to the need for the Audit Committee to approve, authorize and review transactions on a financial year basis. The transactions under consideration, are proposed to be entered into by the Company with A J Cans Private Limited is in the ordinary course of business and at arms' length basis.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s). Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, the particulars of transactions to be entered into by the Company with related parties are as under:

S. No	Particulars	Remarks
1	Name of the Related Party	A J Cans Private Limited
2	Name of the Director or KMP who is related	Mr. Ajay Agarwal Mr. Nitin Agarwal
3	Nature of Relationship	Entity forming part of the same Group and having common control
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase / sale of tin plate sheets / cans. Monetary value of proposed transaction(s) during financial year is expected to be ₹ 75 crores.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Raw material /finished products available with related party in-house and of desired quality at market price.

Except Mr. Ajay Agarwal and Mr. Nitin Agarwal, and their respective relatives, none of the other Directors, Key Managerial Personnel or their respective relatives in any way, financially or otherwise, concerned or interested in the said resolution.

Information pursuant to Secretarial Standards (SS-2) in respect to Appointment/Re-appointment of Directors:

Name of the Director	Pachipulusu Hariprasad Sushmitha	Ajay Agarwal
Category	Independent	Director
DIN	10492313	01030320
Qualification	B.Com	Undergraduate
Brief Profile	An Accounts and Finance professional with good experience, highly effective in providing expert services for audit compliances. Expert includes finalizing books of	Ajay Agarwal has been associated with the Company since incorporation. He has a work experience of more than 35 years in the field of Manufacturing & Packaging Industry. Being an



	accounts, doing ROC compliances for companies and tax & statutory audits.	entrepreneur, he looks after core management of the company, active and enthusiastic in business activities. He is primarily responsible for the performance, overall business development, Production Department, customer support developing strategic plans. He is instrumental in procuring the plant & machinery for manufacturing of metal containers for various countries at most competitive rates
Date of First appointment on the Board	05.04.2024	06.07.1995
Terms and conditions of appointment	No remuneration is proposed other than Sitting fee. Tenure: 05.04.2024-04.04.2029	Proposed to be re-appointed as Director of the Company liable to retire by rotation
Shareholding in the Company as on 31.03.2024	-	39190 shares
Directorship held in other Companies	Y MEDIA LABS PVT LTD	AJ CANS PRIVATE LIMITED
Chairmanship/ membership of Committees of listed Companies	-	-

Place: Hyderabad
Date: 05.09.2024

BY THE ORDER OF THE BOARD

For A J Packaging Limited

Nitin Agarwal
Managing Director
DIN: 06381755



A J PACKAGING LIMITED

(CIN: U74999TG1995PLC020965)

Regd. Office: Plot No.-120 CIE, Gandhinagar, Balanagar, Hyderabad-500037

Tel: 04023086604

Email ID- accounts@ajpack.net

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP DULY COMPLETED WITHOUT FAIL AND HAND IT OVER AT THE ENTRANCE FOR OBTAINING AN ENTRY PASS

I / We hereby record my / our presence at the 29th Annual General Meeting of **A J PACKAGING LIMITED** held at Plot No.-120 CIE, Gandhinagar, Balanagar, Hyderabad-500037 Telangana on Monday 30th September 2024 at 11.00 A.M.

Name of the Shareholder : _____

Folio No. : _____

Name of the proxy / representative, if any: _____

I certify that I am a registered Shareholder / Proxy for the Shareholder of the Company

Signature of the Shareholder / Proxy

Notes:

1. Attendance slip which is not complete in all respects shall not be accepted.
 2. Joint Shareholders may obtain additional attendance slip on request.
-

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

A J PACKAGING LIMITED

(CIN: U74999TG1995PLC020965)

Regd. Office: Plot No.-120 CIE, Gandhinagar, Balanagar, Hyderabad-500037

Tel: 04023086604

Email ID- accounts@ajpack.net

Name (s) of the Member (s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	

I / We being the member (s) of _____ shares of the above named Company, hereby appoint

1.	Name	
	Address	
	E-mail ID	
	Signature	or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the Company to be held on the 30th September 2024 at Plot No.-120 CIE, Gandhinagar, Balanagar, Hyderabad-500037 At 11.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1.	Adoption of Standalone Financial Statements for the year ended 31 st March, 2024 along with the Report of Board of Directors and Auditors thereon
2	Adoption of Consolidated Financial Statements for the year ended 31 st March, 2024 along with the Report of Board of Directors and Auditors thereon
3	Re-appointment of Director retiring by rotation
4	To declare dividend @ 0.5 per share on Equity shares
5	To appoint Mrs. Pachipulusu Hariprasad Sushmitha as an Independent director of the company
6	To approve the remuneration of Cost auditors
7	To approve Related Party Transactions

Signed this _____ day of _____, 2024

Signature of the Shareholder:

Affix	Rs.
1/-	
Revenue	
Stamp	

Signature of the Proxy holder(s):

Note:

1. A proxy need not be a member.
2. The proxy form in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.



AJ PACKAGING LIMITED

DIRECTORS REPORT



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AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

DIRECTORS' REPORT

To
The Members
A J Packaging Limited
Hyderabad

Your directors have pleasure to present their 29th Annual Report together with the audited accounts for the year ended 31st March 2024.

Financial Highlights:

Particulars	(Rupees in Lacs)			
	Year ended 31.03.2024 (Standalone)	Year ended 31.03.2023 (Standalone)	Year ended 31.03.2024 (Consolidated)	Year ended 31.03.2023 (Consolidated)
Total Revenue	21,002.31	18,258.85	21002.31	18,258.85
Earnings before Interest Depreciation, Tax & Amortization (EBIDTA)	1,872.00	1,468.44	1875.65	1,465.07
Depreciation	375.65	364.22	375.65	364.22
Interest	969.66	778.33	969.66	778.33
Profit/ (Loss) before Tax	526.69	325.89	530.34	322.52
Tax Expense for Current year	77.70	55.00	77.70	55.00
Deferred Tax	25.01	10.00	25.01	10.00
Profit after Tax	423.98	260.89	427.64	257.52
Profit/ (Loss) from Associate Company			6.53	11.89
Profit/ (Loss) for the Year	423.98	260.89	434.17	269.41

BUSINESS OPERATIONS:

A J Packaging limited is one of the leading manufacturers of high-quality metal tins find application as packaging material for the user industries. viz. oral care products, cosmetics, tooth powder, confectionery and biscuits, coconut oil and paint companies. The company is in CAN manufacturing business for the last three decades. During the year under review, there was no change in the nature of the business of the company.

Standalone:

During the year your company earned a Gross Total revenue from Operations of ₹ 24,782.73 Lakhs against previous year ₹ 21,545.44 Lakhs.

The Net Revenue from operations for the year is ₹ 21,002.31 Lakhs as compared to previous year of ₹ 18,258.85 Lakhs achieving an increase by 15.03%. The company earned a Net Profit of ₹ 423.98 Lakhs as against previous year of ₹ 260.89 Lakhs and achieved a growth of 62.51%.

Consolidation:

Total Income on a Consolidated Basis amounted to ₹ 21049.53 Lakhs against the previous year of ₹ 18,309.29 Lakhs. Your company earned a Net Profit of ₹ 434.17 Lakhs as against previous year of ₹ 269.41 Lakhs



BUSINESS PROSPECTS AND FUTURE OUTLOOK

Metal packaging caters to a wide range of food, beverage and non-food products in India, where the integrity, durability, shelf life and visual appeal, take priority over others Metal Packaging divided into tin plate and aluminum packaging. The tinplate packaging industry offers packaging solutions to the OTS cans general life cans, food cans, non-foods cans and battery jackets.

The Indian Metal packaging market is expected to record a CAGR of 6.52% over the forecast period whereas Global Packaging market is expected to register a CAGR of 3.94% over the forecast period of 2022-27. Against which, AJ Packaging limited registered a CAGR of 28% over the past 3 years Metals have the highest recycling rate in comparison to other competitive packaging solutions such as Plastic and other flexible packaging. In addition, growth in demand for food, owing to increase in population and rise in beverage consumption has accelerated the demand for metal cans in food and beverage industry

MATERIAL CHANGES AND COMMITMENTS:

No material changes affecting the business of the Company from the financial year ended 31st March 2024 to the date of signing of this report except as mentioned hereunder.

Based upon the recommendations of the Nomination and Remuneration Committee, Mrs. Pachipulusu Hariprasad Sushmitha (DIN: 10492313) was appointed as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 05.04.2024 for a period of 5 years commencing from 5th April, 2024 to 4th April, 2029, not be liable to retire by rotation. Her appointment is subject to approval of members at ensuing Annual General Meeting.

NATURE OF BUSINESS:

The company after obtaining the approval of members in the Extraordinary General Meeting held on 15th November 2023 has altered Main Objects Clause of the Memorandum of Association by inserting the following object in Clause III A of the Memorandum of Association as:

4. To carry on the business of manufacture, process, produce, pack, preserve, freeze, import, export, buy, sell, trade and deal in popcorn, namkeen and such other food products like agro-based foods, packed foods, milk foods, health and diet drinks, fruit drinks, tea and coffee, frozen foods, precooked foods, canned foods, preserved foods, processed foods, health foods, protein foods and confectionery items and any other food products in and outside India.”

DIVIDEND

Your directors are pleased to recommend a dividend of ₹ 0.50 per share on Equity Capital of the company as on 31-03-2024 for the year ended 31.03.2024 subject to the approval of shareholders at the ensuing Annual General Meeting. The Dividend if approved by shareholders will involve an outflow of ₹ 24.18 Lakhs.

CAPITAL EXPENDITURE

During the year under review, your Company has incurred Capital Expenditure of ₹ 1383.02 Lakhs. This amount has primarily been used for acquisition of Plant & Machinery to support the requirement for manufacture of various sizes and shapes of Cans to cater the requirements of various industries viz, Confectionery, Coffee, Biscuits, Ghee, Paints and Oils

CHANGES IN PAID UP SHARE CAPITAL:

During the period under review, The Company has increased its Authorised Capital from ₹ 5 Crores consisting of 50,00,000 equity shares of ₹10/- each to ₹10 Crores consisting of 1,00,00,000 equity



shares of ₹10/- each after obtaining the approval of members in the Extraordinary General Meeting held on 15th November 2023. There was no change in the paid-up share capital of the company. The paid-up capital of the company as on 31.03.2024 is ₹ 4,83,68,300 /- consisting of 48,36,830 equity shares of 10/- each

The company has not allotted any securities, ESOP or Sweat Equity Shares.

However, your company has provided a facility/option to the shareholders to convert their securities from physical to Demat mode. The details of the Registrar and Transfer Agent (RT&A) as follows:

M/s. CIL Securities Limited

Address: Raghav Ratna Towers, 214, Chirag Ali Lane, Abids, Hyderabad, Telangana 500001

Details of ISIN of the Company:

S. No	ISIN	Nature of Shares
1	INEOHTK01014	Equity Shares

TRANSFER TO RESERVES

During the period under review, your Company has transferred a Net Profit of ₹ 423.98 Lakhs to the Surplus in Profit & Loss account of Reserves & Surplus.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

There is no amount available to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

DIRECTORS:

APPOINTMENTS & RESIGNATIONS:

Mr. Chennaiah Athota (DIN: 08577409) has been appointed as an Additional Director of the Company w.e.f. 01.04.2023 and the same has been approved by the board in their meeting held on 1st April 2023.

The said appointment was regularized in the Annual General Meeting after obtaining the approval of members on 30th September 2023.

Mr. Rajesh Jasti (DIN: 10333586) has been appointed as an Additional Director of the Company w.e.f. 26.09.2023 and the same has been approved by the board in their meeting held on 25th September 2023.

The said appointment was regularized in the Extra Ordinary General Meeting after obtaining the approval of members on 15th November 2023

Mrs. Ridhi Bansal has been appointed as an Additional Director of the Company w.e.f. 24.01.2023 and the same has been approved by the board in their meeting held on 23rd January 2024

Mrs. Ridhi Bansal has tendered her resignation from the post of Directorship of the Company with effect from 31st March, 2024 and the same was approved by the board in their meeting held on 05th April 2024.



Mr. Chennaiah Athota has tendered his resignation from the post of Directorship of the Company with effect from 31st March, 2024 and the same was approved by the board in their meeting held on 05th April 2024

Mr. Nitin Agarwal, Director (DIN: 06381755), Mr. Ajay Agarwal (DIN: 01030320), Mr. Venkateswar Rao Theegala (DIN: 00008136) & Mr. Rajesh Jasti (DIN: 10333586) are the existing directors as on 31st March 2024.

RETIREMENT BY ROTATION:

Mr. Ajay Agarwal, Director (DIN: 01030320) of the Company is liable to retire by rotation and being eligible offer for his re appointment. The Board recommends his re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from independent Directors under Section 149(7) of the Companies Act, 2014, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Independent Directors have registered themselves under Independent Directors Databank registration. All the Independent Directors have complied with the Code for Independent Directors prescribed in Scheduled IV to the Act.

KEY MANAGERIAL PERSONNEL:

Mr. Nitin Agarwal, Director (DIN: 06381755) continues to be the Managing Director of the company

NUMBER OF MEETINGS OF THE BOARD:

During the year Nine (9) Board meetings were held on the following dates:

S. No	Date of Board Meetings	DIRECTORS PRESENT					
		Ajay Agarwal	Nitin Agarwal	Theegala Venkateswar Rao	Rajesh Jasti	Athota Chennaiah	Ridhi Bansal
1	01.04.2023	YES	YES	YES	NA	NA	NA
2	19.05.2023	YES	YES	YES	NA	YES	NA
3	22.06.2023	YES	YES	YES	NA	YES	NA
4	14.08.2023	YES	YES	YES	NA	YES	NA
5	11.09.2023	YES	YES	YES	NA	YES	NA
6	25.09.2023	YES	YES	YES	NA	YES	NA
7	15.11.2023	YES	YES	YES	YES	YES	NA
8	29.11.2023	YES	YES	YES	YES	YES	NA
9	23.01.2024	YES	YES	YES	YES	YES	NA

The intervening gap between any two Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

During the year, 1 Extra-Ordinary General Meeting was held on 15th November 2023 & Annual General Meeting was held on 30th September 2023.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 are not applicable for the year 2023-24 since the Company is not falling under the category of class of Companies as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2015.

However, the provisions of Section 135 of the Companies Act, 2013 are applicable from the year 2024-25 based on the profit earned during the year 2023-24. The company is required to spend CSR amount during the current financial year 2024 – 2025. Since the liability of the CSR amount to be spent is less than ₹ 50 lakhs the company is not required to constitute a CSR committee.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainee) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed off during each year:

No. of Complaints Received	NIL
No. of Complaints Disposed off	NIL

INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

During the period under report, there were no employees drawing remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

SUBSIDIARIES

The Company is not having any Subsidiaries or Joint Ventures for the period ended on 31st March 2024. However, the company is having an Associate Company namely A J Cans Private Limited. Details of Associate Company are attached as **Annexure-C**".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loan given or guarantee given or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review. However, the particulars of further loans and investments pursuant to Section 186 of the Companies Act, 2013 are furnished as under:

Particulars of Investment made	Recipient of Investment
202500 Equity shares	AJ Cans Private Limited

AUDITORS:

M/s. Chowdary & Rao, Chartered Accountants Hyderabad, (Firm Registration No. 000656S) were appointed as Statutory Auditors of your Company in the Annual General Meeting held on 30th September 2023 to hold office for a period of 5 years till the conclusion of the Annual General Meeting to be held in the year 2028 without the requirement of any further ratification by the members of the Company in terms of the provisions of Companies act, 2013.

However, M/s Humayun & Co., Chartered Accountants, has resigned from the post of a Statutory Auditor of the company on 30.09.2023. M/s Chowdary & Rao., Chartered Accountants, (Registration No: 000656S) were appointed as Statutory Auditors of the company to fill the casual vacancy caused due to the resignation of M/s Humayun & Co; Chartered Accountants.

In this regard, the Company has received a certificate from the auditors about their eligibility and intimated their consent and willingness for their appointment pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder.

SECRETARIAL AUDIT:

During the year under review the provisions relating to Secretarial Audit are not applicable to your Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS.

There was no qualification, reservation or adverse remark made by the Auditors in their report.

FRAUDS REPORTED BY THE AUDITORS

No Frauds were reported by the Auditors either to the Audit Committee or in their reports during the year under review.

THE DETAILS OF THE DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS

As per Clause xii read with Rule 8(5) of the Companies (Accounts) Rules 2014, No Loans from the banks/ Financial Institutions were under One Time Settlement during the year under review. Hence, the difference between amount of Valuation done at the time of Settlement and Valuation done at the time of taking loans from the banks did not arise.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO**Conservation of Energy, Technology Absorption & Research and Development:**

Particulars pursuant to the provisions of section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are given in the **Annexure- A** to this Report

FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a. **Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans:**

During the year, the company has made an entry into the export market and has done export sales of ₹ 23.04 Lacs

- b. **Total Foreign Exchange used and earned:**

Particulars	2023-24 (₹)	2022-23 (₹)
Foreign Exchange Earnings	23,04,502	NIL
Foreign Exchange outgo		
Capital Goods	4,06,87,982	1,93,49,512
Raw Material	6,87,11,191	45,57,987
Foreign Travel	58,32,649	73,24,513

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has not yet implemented any risk management systems as of now but proposes to take up the matter and try to implement the same at the earliest.



DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

Under Section 134(5)(e) of the Act, Internal Financial Control encompasses the policies and procedures implemented by a company to ensure the efficient and orderly conduct of its business operations. These include adherence to company policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company maintains a robust Internal Financial Control system through well-established policies and procedures. It employs a structured approach involving function-specific reviews and risk reporting by senior management. Significant matters are promptly escalated to the Audit Committee and the Board.

Statutory Auditors in their report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financials.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

All Related Party Transactions are entered on "Arm's Length Basis" in the ordinary course of business and are in Compliance of the Companies Act, 2013. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Board and the particulars of contracts entered during the year as per Form AOC - 2 are enclosed as **Annexure -B**.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 2023-2024, 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 profit of the Company for the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Company has made turnover exceeding ₹ 200.00 crores during the preceding financial year. Hence, the Company has appointed M/s. Gnaneshwar Bhuvan Allu, Chartered Accountant (Membership. No. 277892) as Internal Auditors of the Company to conduct an internal audit for the functions and activities of the Company.

WHISTLE BLOWER POLICY

The company has in place a Whistle Blower Policy for vigil mechanism for Directors and Employees to report the Management about unethical behavior, fraud, and violation of Company's Code of Conduct. None of the personnel has been denied access to the Audit Committee.

RISK MANAGEMENT POLICY

As the Board is of the view that the risks to the Company are very minimal, the Company has not framed Risk Management Policy

NOMINATION AND REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior management Employees. The policy is approved by the Nomination and remuneration Committee and the Board. The company while deciding the remuneration package of the management takes into consideration the company scenario, remuneration package of the industry, financial performance of the company and talents of the appointee. (Enclosed as **Annexure- D**)

The Executive Directors and Non- Independent Directors of the Company are not entitled to sitting fees.

Details of remuneration paid to the Executive Directors:

Name	Designation	Salary & Commission (₹)	Perquisites (Cont. to P.F) (₹)	Total (₹)
Shri. Nitin Agarwal	Managing Director	40,00,000	0	40,00,000

COMMITTEES OF BOARD-

1. Audit Committee:

The Audit committee of the company was constituted in line with the provisions of Sec.177 of the companies act, 2013. The Audit committee was reconstituted on 01.04.2023 comprising of the following Directors as the members of the company.

- ✓ Chennaiah Athota - Chairman, Independent Director
- ✓ Ajay Agarwal - Member, Promoter
- ✓ T. Venkateswar Rao - Member, Independent Director
- ✓ Nitin Agarwal - Member, Executive, Promoter



The Audit Committee shall act in accordance with the terms of reference, specified in writing by the Board which shall, inter alia, include:

Terms of Reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertakings or assets of the company, wherever it is necessary;
9. Evaluation of internal financial controls and risk management systems;
10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition, Meetings and Attendance during the Financial Year:

No.	Name of the Director	No. of Meetings Attended					
		01.04.2023	19.05.2023	22.06.2023	14.08.2023	11.09.2023	25.09.2023
1	Chennaiah Athota	NA	YES	YES	YES	YES	YES
2	Ajay Agarwal	YES	YES	YES	YES	YES	YES
3	T. Venkateswar Rao	YES	YES	YES	YES	YES	YES
4	Nitin Agarwal	YES	YES	YES	YES	NA	NA

The Committee has been re-constituted on 25.09.2023 with the following members as the new members of the audit committee:

- ✓ Shri Chennaiah Athota - Chairman (Non-executive, Independent)
- ✓ Shri Rajesh Jasti - Member (Non-executive, Independent) (w.e.f 26.09.2023)
- ✓ Shri T. Venkateswar Rao - Member (Non-Executive, Independent)

Meetings and Attendance during the Financial Year:

No.	Name of the Director	No. of Meetings Attended							
		01.04.2023	19.05.23	22.06.23	14.08.23	11.09.23	25.09.23	15.11.23	23.01.2024
1	Chennaiah Athota	NA	YES	YES	YES	YES	YES	YES	YES
2	Rajesh Jasti	NA	NA	NA	NA	NA	NA	YES	YES
3	T. Venkateswar Rao	YES	YES	YES	YES	YES	YES	YES	YES

2. Nomination and Remuneration Committee:

The Nomination and Remuneration committee of the company was constituted in line with the **provisions of Sec.178 of the companies act, 2013.**The **Nomination and Remuneration committee** was reconstituted on 01.04.2023 & 25.09.2023 comprising of the following Directors as the members of the company.

- ✓ Shri Chennaiah Athota - Chairman (Non-executive, Independent)
- ✓ Shri Rajesh Jasti - Member (Non-executive, Independent)
- ✓ Shri T. Venkateswar Rao - Member (Non-Executive, Independent)

The role of Nomination and Remuneration Committee is:

1. Identify persons who are qualified to become Directors in accordance with the criteria laid down;
2. Lay down the criteria for appointment at senior management level;
3. Recommend to the Board, appointment and removal of Directors;
4. To vet and approve recommendations from the Executive Directors for the appointment and succession of senior managers;
5. Formulate a criteria for evaluation of every Director's performance;
6. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
7. Recommend to the Board a policy relating to remuneration for Directors, Key Managerial Personnel & other employees;
8. Assess, approve or recommend the training and development requirements of Directors and senior management as recommended by the Executive Directors;
9. Devising a policy on Board diversity

Composition, Meetings and Attendance during the Financial Year:

No.	Name of the Director	01.04.2023	25.09.2023	23.01.2024
1	Ajay Agarwal	YES	YES	NA
2	Chennaiah Athota	YES	YES	YES
3	T. Venkateswar Rao	YES	YES	YES
4	* Rajesh Jasti	NA	NA	YES

*Mr. Rajesh Jasti got appointed as a member of the NRC Committee w.e.f., 26.09.2023 & Mr. Ajay Agarwal ceases to be a member from 26.09.2023

EXTRACT OF ANNUAL RETURN:

Pursuant to MCA Notification dated 28th August 2020, there is no requirement to attach the extract of Annual Return in form MGT-9 with the Board's Report. As per Section 92(3) of the Companies Act, 2013, Annual Return in Form MGT-7 & 7A is required to be uploaded on the Website of the company, if any, and the web link of the same to be provided in the board's report".

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No application has been filed for Corporate Insolvency Resolution process, by the company under the IBC before the National Company Law Tribunal (NCLT) during the year under review.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING:

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

MAINTENANCE OF COST RECORDS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, Cost Audit is applicable to our company from the financial year 2021-22. The Board of Directors has appointed M/s. Jithendra Kumar & Co., Cost Auditors to audit the cost accounts of the Company for the financial year 2023-24

FIXED DEPOSITS:

During the year under review, the company has neither invited nor accepted any deposits falling under the purview of Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

ACKNOWLEDGEMENTS:

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management

**By order of the Board
For A J PACKAGING LIMITED**

**Place: Hyderabad
Date: 05/09/2024**

**Ajay Agarwal
Director
DIN: 01030320**

**Nitin Agarwal
Managing Director
DIN: 06381755**



AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

ANNEXURE - A

Conservation of energy, technology absorption, foreign exchange earnings and outgo

(Pursuant to section 134(3) of the companies Act, 2013)

A. Conservation of Energy:

LED Lights have been replaced with ordinary tube lights, Turbo wind ventilators have been installed in place of exhausts fans which reduces heat, smoke, fumes, and humidity in working area and also saves energy consumption

B. TECHNOLOGY ABSORPTION

The company has state-of-the art printing machines and welding machines for producing high quality products.

C. **RESEARCH AND DEVELOPMENTS:** the Company has carried out R & D activates for better quality, productivity improvements, reduced wastage. The company has developed various classic and innovative shaped cans. Which gives more value additions as against to additional round and rectangular shapes.

D. Foreign Exchange Earnings and Outgo:

	Amount in ₹ <u>2023-2024</u>	Amount in ₹ <u>2022-2023</u>
Earnings	23,04,502	NIL
Outgo	11,52,31,822	3,12,32,012

By order of the Board

For A J PACKAGING LIMITED

Place: Hyderabad
Date: 05/09/2024

Ajay Agarwal
Director
DIN: 01030320



Nitin Agarwal
Managing Director
DIN: 06381755



AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

ANNEXURE - B

Form No. AOC-2

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

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

S. No.	Particulars	
1.	Details of contracts or arrangements or transactions not at arm's length basis:	NIL
	(a) Name(s) of the related party and nature of relationship:	
	(b) Nature of contracts/arrangements/transactions:	
	(c) Duration of the contracts / arrangements/transactions:	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
	(e) Justification for entering into such contracts or arrangements or transactions	
	(f) Date(s) of approval by the Board:	
	(g) Amount paid as advances, if any:	
	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	
2.	Details of material contracts or arrangement or transactions at arm's length basis:	Details is annexed in Annexure-I
	(a) Name(s) of the related party and nature of relationship:	
	(b) Nature of contracts/arrangements/transactions:	
	(c) Duration of the contracts / arrangements/transactions:	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
	(e) Date(s) of approval by the Board, if any:	
	(f) Amount paid as advances, if any:	

By order of the Board

For A J PACKAGING LIMITED

Place: Hyderabad
Date: 05/09/2024

Ajay Agarwal
Director
DIN: 01030320



Nitin Agarwal
Managing Director
DIN: 06381755

Annexure - I

(a) Name(s) of the related party and nature of relationship:	(b) Nature of contracts/ arrangements / transactions:	(c) Duration of the contracts / arrangements / transactions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
Mrs. Ridhi Agarwal	Office of place of profit	1 year	-	01.04.2023	-
Mrs. Ranjani Agarwal	Office of place of profit	1 year	-	01.04.2023	-
Mrs. Ranjani Agarwal	Rent	1 year	-	01.04.2023	-
M/s. Asian Colour Cartons	Rent	1 year	-	01.04.2023	-
M/s. Harso Steels Private Limited	Rent	1 year	-	01.04.2023	-
AJ Cans Private Limited	Sales	1 year	-	01.04.2023	-
AJ Cans Private Limited	Purchases	1 year	-	01.04.2023	-
AJ Cans Private Limited	Rental Income	1 year	-	01.04.2023	-

By order of the Board

For A J PACKAGING LIMITED

**Place: Hyderabad
Date: 05/09/2024**

Ajay Agarwal
Director
DIN: 01030320



Nitin Agarwal
Managing Director
DIN: 06381755



AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

ANNEXURE - C

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 or associate companies or Joint ventures

Part A Subsidiaries

NA

Part B Associates and Joint Ventures

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

Name of Associates	AJ CANS PRIVATE LIMITED
Latest audited Balance Sheet Date	31.03.2024
Date on which the Associate was associated	31.03.1999
Shares of Associate held by the company on the year end	202500
Amount of Investment in Associates	20,25,000
Extent of Holding (in percentage)	39.62%
Description of how there is significant influence	Shareholding

1. Names of associates which are yet to commence operations- NA
2. Names of associates or joint ventures which have been liquidated or sold during the year- NA

By order of the Board

For A J PACKAGING LIMITED

Place: Hyderabad
Date: 05/09/2024

Ajay Agarwal
Director
DIN: 01030320



Nitin Agarwal
Managing Director
DIN: 06381755



AJ Packaging Limited

Regd. Office: Plot No. 120, CIE, Gandhi Nagar, Balanagar, Hyderabad - 500037, Telangana.

CIN: U74999TG1995PLC020965

ANNEXURE - D

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee ("Committee") and this Policy shall be in compliance with section 178 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder.

The Key Objectives of the Committee would be as under:

- i. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. To identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. To recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

2. DEFINITIONS

- i. 'Act' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. 'Board' means Board of Directors of the Company. 'Directors' mean Directors of the Company.
- iii. 'Key Managerial Personnel' means: Chief Executive Officer or the Managing Director or the Manager; Whole-time director; Chief Financial Officer; Company Secretary; and Such other officer as may be prescribed.
- iv. 'Senior Management' mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the Functional Heads.

3. ROLE OF THE COMMITTEE

- i. Matters to be dealt with pursued and recommended to the Board by the Nomination and Remuneration Committee
 - a. The Committee shall:
 - ✓ Formulate the criteria for determining qualifications, positive attributes and independence of a director.
 - ✓ Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy. -
- ii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel. Policy for appointment and removal of Directors, KMPs and Senior Management Personnel.



a. Appointment criteria and qualifications

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.

b. Term / Tenure

Managing / Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

c. Evaluation

The Committee shall carry out evaluation of performance of the Directors at regular intervals (yearly).

d. Removal

Due to reasons, for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

e. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

iii. Policy relating to the Remuneration for the Managing/ Whole-time Director, KMP and Senior Management Personnel

a. General:

- i. The remuneration / compensation / commission etc. to the Managing / Whole-time Director, KMP and Senior Management Personnel will be as per the Company Policies. The Committee shall recommend the same to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post



approval of the shareholders of the Company and Central Government, wherever required.

- ii. The remuneration and commission to be paid to the Managing / Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing/ Whole-time Director. Where any insurance is taken by the Company on behalf of its Managing Director/ Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b. Remuneration to Managing /Whole-time Director, KMP and Senior Management Personnel:

i. Remuneration:

The Managing / Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as per the Company Policies, as may be approved by the Board on the recommendation of the Committee and subject to member's approval and central government approval, to the extent required.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company Policies.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing / Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Managing / Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c. Remuneration to Non- Executive / Independent Director:

i. Sitting Fees:

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.



Provided that the amount of such fees shall not exceed ₹ 1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

4. MEMBERSHIP

The Committee shall consist of a minimum 3 non-executive directors, not less than one-half of them being independent. Minimum (2) members (in person or through any audio-visual means) shall constitute a quorum for the Committee meeting.

Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

Chairperson of the Committee shall be appointed by the Board. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee Meetings will be tabled at the subsequent Board and Committee meeting.

10. MODIFICATION OF POLICY

The Committee may modify this Policy unilaterally at any time. Modification may be necessary, among other reasons, to maintain compliance with the rules and regulations imposed by the Regulatory authorities.

By order of the Board

For A J PACKAGING LIMITED

Place: Hyderabad
Date: 05/09/2024

Ajay Agarwal
Director
DIN: 01030320



Nitin Agarwal
Managing Director
DIN: 06381755



AJ PACKAGING LIMITED

INDEPENDENT AUDITOR'S REPORT

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Independent Auditor's Report

To the members of AJ PACKAGING LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **AJ PACKAGING LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss and Statement of Cash Flows, for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Financial performance 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 ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of Key Audit matters as per SA 701-Key Audit Matters are not applicable to the Company as it is an unlisted company.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider



whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Standalone Financial Statements

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

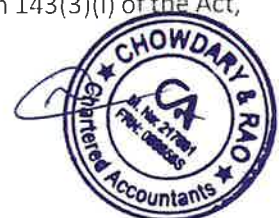
In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Company's Management and the Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,



d) In our opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act.

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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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 the provisions of section 197 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 does not have pending litigations which would impact on its financial position in its standalone financial statements.

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

iii. The Company is not required to be transferred any amount to the Investor Education and Protection Fund.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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



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

(d) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

(e) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(f) The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record and retention.

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

For Chowdary and Rao
Chartered Accountants
Firm Regn. No. 000656S


(CA Mandava Sunil Kumar)

Partner

Membership No. 217061



UDIN: 24217061BKFGGS8692

Date: 05.09.2024

Place: Hyderabad

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AJ PACKAGING LIMITED of even date

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

We have audited the internal financial controls over financial reporting of AJ PACKAGING LIMITED (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls over Financial Reporting

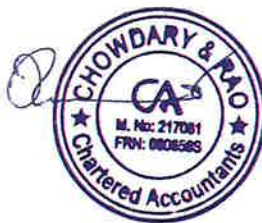
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

For Chowdary and Rao
Chartered Accountants
Firm Regn. No. 000656S


(CA Mandava Sunil Kumar)
Partner
Membership No. 217061



UDIN: 24217061BKFGGS8692

Date: 05.09.2024
Place: Hyderabad

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AJ PACKAGING LIMITED of even date)

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 the 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 and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties which are freehold and included in property, 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) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores (Refer Note No.4) in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets of the Company. There were no material discrepancies in Inventories were observed in books of accounts and amounts reported in the periodical financial statement submitted by the Company to Banks.



iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year. Hence, we have not commented on this clause.

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 during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company and accordingly the Company has maintained the relevant cost records.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, 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.

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

ix. (a) In our opinion, 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 declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;




- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. In our opinion the Company is not required to implement internal audit system commensurate with the size and the nature of its business.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.



- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chowdary and Rao
Chartered Accountants
Firm Regn. No. 000656S

91. 
(CA Mandava Sunil Kumar)
Partner
Membership No. 217061



UDIN: 24217061BKFGGS8692

Date: 05.09.2024
Place: Hyderabad

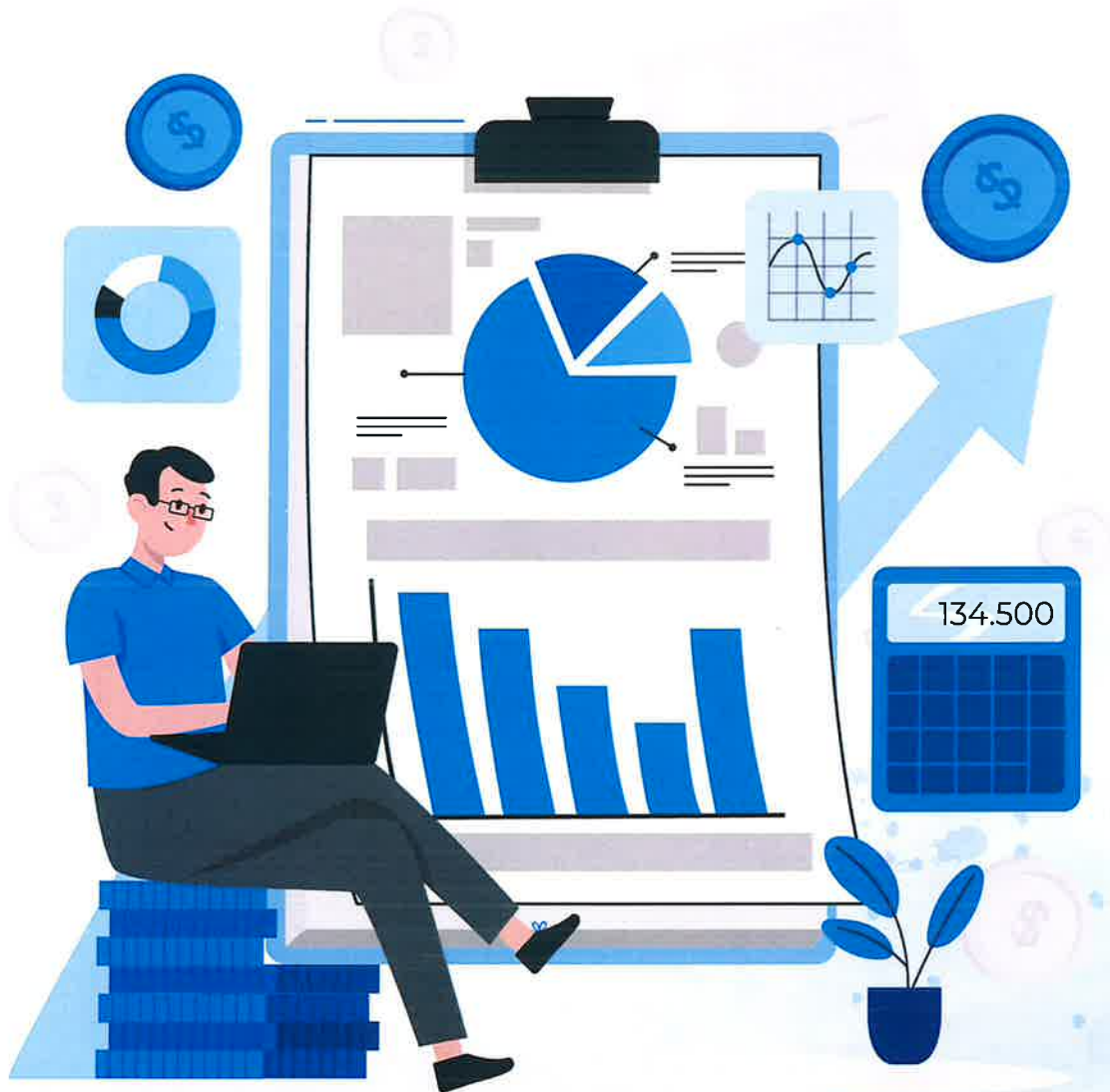


AJ PACKAGING LIMITED

FINANCIAL STATEMENTS

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NOTES TO ACCOUNTS



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A J PACKAGING LIMITED
CIN: U74999TG1995PLC020965

Balance Sheet as at 31st March, 2024

Particulars	Note No.		As at 31.03.2024 Rs. In Lakhs		As at 31.03.2023 Rs. In Lakhs
I. EQUITY AND LIABILITES					
1. Share Holders Funds					
a) Share Capital	1		483.68	483.68	
b) Reserves & Surplus	2		2,457.42	2,057.63	2,541.31
2. Non Current Liabilities					
a) Long Term Borrowings	3	2,181.42		1,977.10	
b) Deferred Tax Liability		149.91		124.91	
c) Other LongTerm Liability		718.59	3,049.93	628.39	2,730.39
4. Current Liabilites					
a) Short Term Borrowings	4	4,113.37		3,643.68	
b) Trade Payables	5	2,209.21		2,046.27	
c) Other Current Liabilities	6	1,043.95		1,081.21	
d) Short Term Provisions	7	101.88	7,468.41	79.18	6,850.34
Total			13,459.44		12,122.04
II. ASSETS					
1. Non Current Assets					
a) Fixed Assets					
(i) Tangible Assets	8	5,202.79		4,612.92	
(ii) Capital work-in-progress		429.41		29.93	
b) Non Current Investment	9	20.25	5,652.45	20.25	4,663.09
2. Current Assets					
a) Inventories	10	5,668.72		5,548.87	
b) Trade Receivables	11	1,056.04		1,009.60	
c) Cash & Cash Equivalents	12	288.44		286.66	
d) Short Term Loans & Advances	13	793.79	7,806.99	613.80	7,458.94
Total			13,459.44		12,122.04

Significant Accounting policies 21

Notes on Accounts 22

The Notes referred to above, forms an integral part of These Financial Statements

As per our Report of even date

For CHOWDARY & RAO

Chartered Accountants

FRN 000656S


M. SUNIL KUMAR

Partner

Membership No. 217061



For and Behalf of the Board


Ajay Agarwal
Director
DIN: 01030320


Nitin Agarwal
Managing Director
DIN: 06381755



Place : Hyderabad

Date : 05-09-2024

UDIN : 24217061BKFGGS8692

A J PACKAGING LIMITED
CIN: U74999TG1995PLC020965

Statement of Profit and Loss for the period ended 31.03.2024

PARTICUALRS	Note No.	Year ended 31.03.2024 Rs. In Lakhs	Year ended 31.03.2023 Rs. In Lakhs
INCOME			
Revenue from Operations		21,002.31	18,258.85
Other Income	14	39.78	46.39
	Total	21,042.09	18,305.24
EXPENDITURE			
Raw Material Consumed	15	15,628.99	13,954.57
Changes in Inventories of :			
Finished Goods & Work in Process	16	(473.71)	(502.94)
Manufacturing Expenses	17	1,443.65	1,317.76
Salaries & Benefits to Employees	18	1,658.78	1,360.10
Administration and Selling Expenses	19	912.39	707.30
Financial Costs	20	969.66	778.33
Depreciation	8	375.65	364.22
		20,515.41	17,979.35
Profit for the year		526.69	325.89
Less: Provision for Taxation			
Current Year		77.70	55.00
Net Profit		448.99	270.89
Less: Deferred Tax Asset / Liability		25.01	10.00
Net Profit after Tax		423.98	260.89
Significant accounting policies	21		
Notes on Accounts	22		
COMPUTATION OF EARNING PER SHARE			
a) Net Profit for the year		423.98	260.89
b) Number of Shares outstanding during the year		48,36,830	48,36,830
c) Earning per Share	(Rs)	8.77	5.39
d) Nominal Value of Share	(Rs)	10.00	10.00

The Notes referred to above, forms an integral part of These Financial Statements

As per our Report of even date

For **CHOWDARY & RAO**

Chartered Accountants

FRN 000656S


M. SUNIL KUMAR

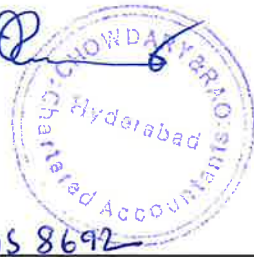
Partner

Membership No. 217061

Place : Hyderabad

Date : 05.09.2024

UDIN: 24217061BKFGGS8692



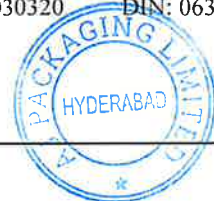
For and Behalf of the Board


Ajay Agarwal
Director

DIN: 01030320


Nitin Agarwal
Managing Director

DIN: 06381755



A J PACKAGING LIMITED
CIN: U74999TG1995PLC020965
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2024

A	Cash Flow from Operating Activities	31.03.2024		31.03.2023	
			Amount Rs. In Lakhs	Amount Rs. In Lakhs	
	Net Profit Before Tax		526.69		325.89
	Adjustments for				
	Depreciation		375.65		364.22
	Finance Costs (Incl. Interest & Other Charges)		969.66		778.33
	Loss/ (Profit) on Sale of Fixed Assets		0.01		(11.90)
	Direct Taxes		(102.70)		(65.00)
	Operating Profit before Working Capital Changes	a	1,769.30		1,391.53
	Adjustments for				
	Inventories		(119.85)		(953.59)
	Receivables		(46.44)		168.83
	Short Term Loans & Advances		(179.99)		(87.44)
	Long Term Loans & Advances		-		-
	Current Liabilities (Other than Bank Borrowing)		148.38		382.42
		b	(197.90)		(489.77)
	Cash Flow From operating Activities (A)	a + b	1,571.41		901.76
B	Cash Flow from Investment Activities				
	Purchase of Fixed Assets		(1,383.02)		(1,180.25)
	Proceeds from Sales of Fixed Assets		18.00		30.86
		(B)	(1,365.02)		(1,149.39)
C	Cash Flow from Financing Activities				
	Inflows				
	Increase in Bank Borrowings		469.69		506.07
	Changes in Long Term Borrowing		319.54		607.61
			789.23		1,113.68
	Outflows				
	Interest		(969.66)		(778.33)
	Dividend		(24.18)		(24.18)
			(993.84)		(802.51)
		C)	(204.61)		311.17
	Net increase in cash and cash equivalents	(A+B+C)	1.77		63.54
	Cash and cash equivalents (Opening Balance)		286.66		223.13
	Cash and cash equivalents (Closing Balance)		288.44		286.66

As per our Report of even date

For **CHOWDARY & RAO**

Chartered Accountants

FRN 000656S

M. SUNIL KUMAR

Partner

Membership No. 217061

For and Behalf of the Board

Ajay Agarwal

Director

DIN: 01030320

Nitin Agarwal

Managing Director

DIN: 06381755

Place : Hyderabad

Date : 05-09-2024

UDIN : 24217061BKFGGS8692



A J PACKAGING LIMITED
Notes forming part of the Financial Statements

Note-1

SHARE CAPITAL

Particulars	Numbers	As at 31.03.2024 ₹ in Lakhs	Numbers	As at 31.03.2023 ₹ in Lakhs
Authorised				
Equity Shares of Rs.10/- Each	1,00,00,000	1,000.00	50,00,000	500.00
Issued Subscribed and Paid-up				
Equity Shares of Rs.10/- Each	48,36,830	483.68	48,36,830	483.68
		483.68		483.68

1.2. Details of Share holders holding more than 5% share in the company

Particulars	as at 31.03.2024		as at 31.03.2023	
	Numbers of Shares	%	Numbers of Shares	%
AJ Cans Private Limited	18,48,000	38.21%	18,48,000	38.21%
Nitin Agarwal	17,43,723	36.05%	16,20,388	33.50%
Ranjani Agarwal	9,95,717	20.59%	8,89,052	18.38%

	31.03.2024 Numbers	31.03.2023 Numbers
1.3. Reconciliation of the numbers of Shares		
Number of Shares at the beginning of the year	48,36,830	48,36,830
Add: Issued during the year	-	-
Number of shares at the end of the year	48,36,830	48,36,830

1.4. The company has only one class of shares i.e., Equity Shares

Note: 2

Reserves & Surplus

PARTICULARS		As at 31.03.2024 ₹ in Lakhs		As at 31.03.2023 ₹ in Lakhs
State investment subsidy		20.00		20.00
Share Premium a/c.		369.84		369.84
General Reserve				
Opening Balance	103.84		103.84	
Additions during the year	-		-	
Closing Balance	103.84	103.84	103.84	103.84
Surplus in profit & loss account				
Opening Balance	1,563.95		1,327.24	
Add: Profit for the current year	423.98		260.89	
	1,987.93		1,588.13	
Less: Provision for Proposed dividend	24.18		24.18	
	1,963.74	1,963.74	1,563.95	1,563.95
		2,457.42		2,057.63



A J PACKAGING LIMITED

Notes forming part of the Financial Statements

Note - 3**Long Term Borrowings**

PARTICULARS	As at 31.03.2024 ₹ in Lakhs		As at 31.03.2023 ₹ in Lakhs	
	Current	Non - Current	Current	Non - Current
Secured				
ICICI BANK LTD - Term Loan-1 (Sanctioned Rs.250.00 Lakhs)	-	-	37.50	-
ICICI BANK LTD - Term Loan-2 (Sanctioned Rs.300.00 Lakhs)	64.29	123.22	64.29	187.50
DBS Bank India Ltd (Sanctioned Rs.240.00 Lakhs)	50.54	42.12	50.54	92.66
DBS Bank India Ltd (Sanctioned Rs.300.00 Lakhs)	-	-	-	-
Standard Chartered Bank (Sanctioned Rs.900 Lakhs)	199.08	558.27	111.33	419.17
Vehicle Loans under Hire Purchase	57.31	115.43	44.20	148.01
ECGLS Loans				
DBS BANK INDIA LTD (Sanctioned Rs. 182.00 Lakhs)	35.39	-	60.67	30.33
DBS BANK INDIA LTD (Sanctioned Rs. 180.00 Lakhs)	60.00	120.00	-	180.00
YES BANK (Previous year SCB Sanctioned Rs. 60.00 Lakhs)	11.15	-	20.04	11.93
ICICI Bank Ltd (Sanctioned Rs.190.70 Lakhs)	26.49	-	63.57	26.49
ICICI Bank Ltd (Sanctioned Rs. 95.30 Lakhs)	31.77	63.53	-	95.30
HDFC BANK	16.60	-	20.00	19.24
Un Secured				
From Banks				
LAP LOAN -1 - HDFC BANK	57.28	296.12	53.19	346.96
LAP LOAN -2 - HDFC BANK	20.96	262.81	12.50	187.50
From Body Corporates		599.93		232.00
	630.86	2,181.42	537.81	1,977.10

3.1. The Above Term Loans from DBS Bank, SCB, ICICI Bank, are secured by way of first charge on Fixed Assets and Current Assets of the company and first pari passu charge on Land and Buildings of the Asian Colour Cartons, and Personal guarantee of two of the Directors of the company and also by way of Corporate Guarantee.

3.2. Terms of Sanction of ICICI BANK LIMITED**TERM LOAN**

Sanctioned Letter No. & Date

CAL590571356464 / Dated

Sanctioned Amount

₹ 250.00 Lakhs

Tenor

5 years - Maturity Date

Repayment profile	Year	Amount
		Rs.in lakhs
	2018-19	25.00
	2019-20	50.00
	2020-21	50.00
	2021-22	50.00
	2022-23	50.00
	2023-24	25.00

3.3. Terms of Sanction of DBS BANK INDIA LIMITED**TERM LOAN**

Sanctioned Letter No. & Date

BSU/IBG4/1337/2020 DT

Sanctioned Amount

₹ 240.00 Lakhs

Tenor

6 years - Maturity Date

Repayment profile	Year	Amount
		Rs.in lakhs
	2023-2024	53.33
	2024-2025	53.33
	2025-2026	53.33
	2026-2027	53.35



A J PACKAGING LIMITED

Notes forming part of the Financial Statements

3.4. Terms of Sanction of ICICI BANK LIMITED

Sanctioned Letter No. & Date

Sanctioned Amount

Tenor

TERM LOAN

CAL59965861011 / Dated

₹ 300.00 Lakhs

5 years - Maturity Date

Repayment profile	Year	Amount
		Rs. in lakhs
	2022-23	30.00
	2023-24	60.00
	2024-25	60.00
	2025-26	60.00
	2026-27	60.00
	2027-28	30.00

3.5. Terms of Sanction of Standard Chartered Bank

Sanctioned Letter No. & Date

Sanctioned Amount

Tenor

TERM LOAN

COM/AJP/10894906 /

₹ 900.00 Lakhs

5 years -

Repayment profile	Year	Amount
		Rs. in lakhs
	2023-24	136.06
	2024-25	199.08
	2025-26	199.08
	2026-27	199.08
	2027-28	160.11

3.6. Terms of Sanction of DBS Bank India Limited

Sanctioned Letter No. & Date

Sanctioned Amount

Tenor

Remarks

TERM LOAN

₹ 300.00 Lakhs

5 years

Not Yet Disbursed

3.7. The Vehicle loans availed under hirepurchase is secured by way of hypothecation of vehicle and also personal guarantee of one of the Directors of the company.

3.8. ECLGS LOANS -1**SANCTION BANKS**

Tenor

SCB, ICICI, DBS, HDFC

3 years - (36 Monthly Payments)

BANK NAME	₹ in Lakhs
DBS Bank India Limited	182.00
Standard Chartered Bank	60.00
ICICI Bank Limited	190.70
HDFC Bank Limited	60.00

The above loans are funded by Banks and guaranteed by Govt of India (National Credit Guarantee Trustee Company - NCGTC)

3.9. ECLGS LOANS -2**SANCTION LETTERS**

Tenor

ICICI, DBS

3 years - (36 Monthly Payments)

BANK NAME	₹ in Lakhs
DBS BANK INDIA LTD	180.00
ICICI BANK LTD	95.30

The above loans are funded by Banks and guaranteed by Govt of India (National Credit Guarantee Trustee Company - NCGTC)

3.10. LAP Loans are not secured against any property of the company. However these loans are secured against collateral Security provided by one of the Director's Spouse.

Note-4**Short Term Borrowings**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Working Capital Loans from		
DBS Bank India Limited	1,309.69	945.22
Standard Chartered Bank	237.26	212.27
ICICI Bank Limited	1,432.36	1,449.80
Yes Bank Limited	503.19	498.57
Current Maturities of Long Term Borrowings	630.86	537.81
	4,113.37	3,643.68



A J PACKAGING LIMITED

Notes forming part of the Financial Statements

All Working Capital Loans are secured by hypothecation of Current assets and Fixed assets of Guarantee. Further all the working capital loans are secured by first pari passu charges on Land and Building of of the company on First pari passu charge basis and further guaranteed by two Directors of the Company and Corporate M/s. Asian Colour Cartons.

Note-5**Trade Payables**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
More than 6 Months	-	-
Less than 6 Months	2,209.21	2,046.27
	2,209.21	2,046.27

Particulars	Outstanding for following periods from due date of payment			
	less than 1 year	1 - 2 years	2 - 3 years	more than 3 years
(i) MSME	-	-	-	-
(ii) Others	2,209.21	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
	2,209.21	-	-	-

Note-6**Other Current liabilities**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Sundry Creditors for Stores & Expenses	518.47	468.24
Other Current Liabilities	525.48	612.97
	1,043.95	1,081.21

Particulars	Outstanding for following periods from due date of payment			
	less than 1 year	1 - 2 years	2 - 3 years	more than 3 years
(i) MSME	33.86	-	-	-
(ii) Others	484.60	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-

Note-7**Short Term Provisions**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Provision for Taxation	77.70	55.00
Provision for Dividend	24.18	24.18
	101.88	79.18

Note-9**Non-Current Investments**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
AJ Cans Private Limited (At cost - Un Quoted)	20.25	20.25
2,02,500 equity shares of ₹ 10 - each fully paid-up	20.25	20.25

Note-10**INVENTORIES (Valued at cost or net realisable value whichever is lower and certified by the management)**

PARTICULARS	As at	As at
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Raw Materials	2,800.43	3,022.75
Work-in-Progress	2,386.60	1,911.67
Finished Goods	220.66	232.49
Stores	227.89	126.08
Scrap	20.98	10.37
Stock in Transit	12.15	245.50
	5,668.72	5,548.87



A J PACKAGING LIMITED

Notes forming part of the Financial Statements

Note-11**Trade Receivables (Unsecured, and Considered good)**

PARTICULARS	As at 31.03.2024	As at 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Due over six months	30.92	19.49
Others	1,025.12	990.11
	1,056.04	1,009.60

Particulars	Outstanding for following periods from due date of payment			
	less than 6 m	6 m to 1 year	1 - 3 years	more than 3 years
(i) Undisputed Trade Receivables - Considered Good	1,025.12	30.92		
(ii) Undisputed Trade Receivables - Considered Doubtful				
(iii) Disputed Trade Receivables - Considered Good				
(iv) Disputed Trade Receivables - Considered Doubtful				
	1,025.12	30.92	-	

Note-12**CASH AND CASH EQUIVALENTS**

PARTICULARS	As at 31.03.2024	As at 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Cash in Hand	37.56	32.09
Balances with Banks in -		
Current Accounts	12.68	1.64
Margin Deposits	238.20	252.94
	288.44	286.66

Note-13**Short Term Loans and Advances (Unsecured considered good, recoverable in cash or in kind or for value to be**

PARTICULARS	As at 31.03.2024	As at 31.03.2023
	₹ in Lakhs	₹ in Lakhs
a. Advances - Employees	59.62	20.92
b. Advances - Government Departments	265.04	258.07
c. Advances - Suppliers	196.27	140.49
d. Other Current Assets	272.86	194.32
	793.79	613.80

Note - 14**Revenue from Operations**

PARTICULARS	Year Ended 31.03.2024	Year Ended 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Sales of Products	21,002.31	18,258.85
Total Net Sales	21,002.31	18,258.85

Note - 15**Other Income**

PARTICULARS	Year Ended 31.03.2024	Year Ended 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Other income	27.97	25.88
Interest Received	11.81	8.61
Profit on Sale of Fixed Assets	-	11.90
	39.78	46.39



A J PACKAGING LIMITED
Notes forming part of the Financial Statements

Note-16

RAW MATERIAL CONSUMED

PARTICULARS	Year Ended 31.03.2024		Year Ended 31.03.2023	
	₹ in Lakhs		₹ in Lakhs	
Opening Stock	3,022.75		2,819.23	
Add:				
Purchases	15,406.67		14,158.09	
Less:				
Closing stock	2,800.43		3,022.75	
Total Consumption	15,628.99		13,954.57	
Details of Raw Material Consumed				
Tinplate	12,908.58		11,804.95	
Printing Inks	895.32		826.15	
Aluminium Foils	285.03		232.43	
Others	1,540.06		1,091.03	
Total Consumption	15,628.99		13,954.57	
Percentage of Imported and Indigeneous Raw Materials Consumed:				
	Year Ended 2024		Year Ended 2023	
Imported (including Cusoms duty)	5.44%	849.97	0.33%	45.58
Indigeneous	94.56%	14,779.02	99.67%	13,908.99
	100%	15,628.99	100%	13,954.57

Note-17

Changes in Inventories

PARTICULARS	Year Ended 31.03.2024		Year Ended 31.03.2023	
	₹ in Lakhs		₹ in Lakhs	
OPENING STOCKS				
Work-in-progress	1,911.67		1,518.13	
Finished Goods	232.49		131.12	
Scrap	10.37		2.34	
	2,154.53		1,651.59	
Closing Stocks				
Work-in-progress	2,386.60		1,911.67	
Finished Goods	220.66		232.49	
Scrap	20.98		10.37	
Total	2,628.24		2,154.53	
(Increase) / Decrease in stocks	(473.71)		(502.94)	

Note-18

MANUFACTURING EXPENSES

PARTICULARS	Year Ended 31.03.2024	Year Ended 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Factory Rent	149.97	138.32
Insurance	19.84	21.36
Other Manufacturing expenses	9.04	4.81
Packing Material Consumed	291.74	289.85
Power & Fuel	602.33	561.51
Repairs to Machinery	124.19	80.49
Security charges	66.50	45.75
Stores Consumed	180.04	175.68
Total	1,443.65	1,317.76

Note-19

Salaries & Benefits to Employees

PARTICULARS	Year Ended 31.03.2024	Year Ended 31.03.2023
	₹ in Lakhs	₹ in Lakhs
Salaries & Wages	1,605.17	1,309.75
Staff Welfare	31.79	27.63
Contributions to Funds	18.08	17.73
Gratuity	3.74	5.00
Total	1,658.78	1,360.10



A J PACKAGING LIMITED

Notes forming part of the Financial Statements

Note-20**ADMINISTRATIVE & SELLING EXPENSES**

PARTICULARS	Year Ended	Year Ended
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Office Rent	6.00	6.00
Rates & Taxes	8.19	9.61
Printing & Stationery	9.62	9.14
Telephones	5.28	3.82
Travelling & Conveyance	125.02	98.19
Vehicle Maintenance	16.09	22.89
Legal & Professional	30.49	26.88
Key man Insurance	10.76	2.00
Director's Remuneration	40.00	36.00
Director's Sitting Fee	4.35	-
Auditors' Remuneration		
a. Audit fees	5.00	5.00
b. Tax Audit fees	1.00	1.00
Office Expenses	31.39	23.38
Other Expenses	5.81	9.68
Freight Outwards	545.36	382.25
Selling Expenses	66.33	70.99
Loss on Insurance claim	1.70	-
Loss on Sale of Fixed Assets	0.01	-
Bad Debts written-off	-	0.47
Total	912.39	707.30

Note-21**FINANCE COSTS**

PARTICULARS	Year Ended	Year Ended
	31.03.2024	31.03.2023
	₹ in Lakhs	₹ in Lakhs
Interest on Term Loan	207.58	167.04
Interest on Working Capital Loans and Other Finance Costs	762.08	611.29
Total	969.66	778.33

For CHOWDARY & RAO

Chartered Accountants

FRN 000656S

M. SUNIL KUMAR

Partner

Membership No. 217061



Place : Hyderabad

Date : 05-09-2024

UDIN :

24217061BKFGGS8692

NOTE - 8
FIXED ASSETS & DEPRECIATION (Rs. In lakhs)

Particulars	Gross Block				Depreciation			Net Block	
	Balance as at	Deductions	Additions	Total Cost	Balance as	Deductions	For the	Balance as	As at
	01.04.2023	During the year	During the year	at 31.03.2024	at 31.03.2024	for the year	year	at 31.03.2024	31.03.2023
Land	67.57	-	-	67.57	-	-	-	67.57	67.57
Factory Buildings	470.79	-	36.72	507.50	127.72	-	13.48	141.20	366.31
Plant & Machinery	5,488.48	20.13	797.61	6,265.95	1,721.14	2.12	282.82	2,001.83	4,264.12
Electrical Installations	267.08	-	71.22	338.31	131.46	-	21.63	153.09	185.22
Workshop Equipment	9.10	-	0.62	9.72	4.04	-	0.39	4.43	5.28
Office Equipment	148.49	-	25.87	174.36	121.04	-	13.14	134.18	40.18
Furniture & Fixtures	56.96	-	3.17	60.13	40.10	-	4.51	44.62	15.51
Vehicles	456.46	-	48.33	504.79	206.52	-	39.67	246.19	258.60
Total	6,964.93	20.13	983.54	7,928.33	2,352.01	2.12	375.65	2,725.54	4,612.92
Capital Work-in-Progress	29.93	-	399.49	429.41	-	-	-	429.41	29.93
Grand Total	6,994.86	20.13	1,383.02	8,357.75	2,352.01	2.12	375.65	2,725.54	4,642.84

PARTICULARS	Less Than	Less Than	2-3 Years	More than	Total
	1 Year	1-2 Year		3 years	
Projects in Progress	399.49	-	-	29.93	429.41
Projects Temporarily Suspended	-	-	-	-	-
	399.49	-	-	29.93	429.41

For CHOWDARY & RAO
Chartered Accountants
FRN 000656S

M. SUNIL KUMAR
Partner
Membership No. 217061

Place : Hyderabad
Date : 05-09-2024

For and behalf of the Board

AJAY AGARWAL
Director

NITIN AGARWAL
Managing Director



UDIN: 24217061 BKF66S8692

A J PACKAGING LIMITED

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024.

21 Significant Accounting Policies.

A NATURE OF OPERATIONS

Company is engaged in the business of manufacturing Decorative metal tins finds application as packaging material. In the User Industries VIZ., Cosmetics, Oral care, Biscuits, Coffee powder, Coconut oil, Food & Beverages, Paints etc...

B BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements are prepared under the historical cost convention and to comply in all material aspects with the applicable accounting principles in India and Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

C USE OF ESTIMATES

The preparation of the financial statements in conformity with India GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized.

D FIXED ASSETS

Tangible Fixed Assets are stated at cost net of accumulated depreciation. Expenditure during construction period including interest on borrowings for new major capital expenditure are capitalized till the erection and commencement of machinery production.

E Depreciation

Depreciation is provided on straight line method in accordance with the useful life prescribed under schedule II of the Companies Act 2013.

F Borrowing Cost

Borrowing costs includes interest cost and all ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost is considered as expenditure in the period and charge off to profit and loss account. Funds borrowed for acquisition of qualifying fixed assets are capitalized till the date of commissioning and thereafter charged to Profit and Loss Account.

G Inventories

1. Raw material are valued at landed cost
2. Work-in Progress is valued at estimated cost.
3. Finished goods are valued at Cost or Market value whichever is lower.
4. Stores and Service Spares are valued at lower of Cost or Realizable value.
5. Scrap is valued at net realisable value.

H Trade Receivable:

Receivables are stated after making adequate provision for doubtful debts as on 31.03.2024.

I Loans and Advances:

Loans and advances are stated after making adequate provision for doubtful Advances.

J Investments

Investments are stated at cost.

K Sales

Gross Sales includes the amount receivable for Goods sold, including GST which are recognised on accrual basis. Net sales means Gross Sales less GST.

L Contingent liabilities

Liability in respect of contingent nature are mentioned by way of notes to accounts and will be paid/ provided on crystallization/ due dates.

M Earning per Share

The basic and diluted Earnings Per Share is calculated by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding.

N Employee benefits

Contribution to defined schemes such as Provident Fund, ESI are charged as incurred on accrual basis.

O Foreign Exchange Transactions.

Foreign currency transactions are recorded at the rates prevailing on the date of transaction. The monetary assets and liabilities, if any, in foreign currencies are translated at the rates of exchange ruling on the Balance Sheet date or at the rates of exchange fixed under contractual arrangements.

P Taxes on income

Provision for taxation for the year is based on tax liability computed in accordance with the relevant tax rates and tax laws as at the Balance Sheet date. Provision for deferred tax is made for all timing differences arising between taxable income and accounting income at the rates that have been enacted.

Q Change in Accounting Policies

To fulfill statutory provisions of Companies Act 2013, Effective 01st April 2014, the Company has with retrospective effect changed its method of providing depreciation on fixed assets from the 'written down value' method to the 'straight line' method, as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets.



A J PACKAGING LIMITED

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2024.

22 Notes to Accounts	31-03-2024 (Rs)	31-03-2023 (Rs)
1 Estimated amount of contracts remaining to be executed on capital account and not provided	4,00,00,000	5,00,00,000
2 Contingent Liabilities:		
Against Letter of Credit	2,78,10,131	4,64,56,485
Against Bank Gurantees executed	7,50,000	7,50,000
3 Expenditure in Foreign currency on account of:	31-03-2024	31-03-2023
a. Capital Goods	4,06,87,982	1,93,49,512
b. Raw Materials	6,87,11,191	45,57,987
c. Travel & Others	58,32,649	73,24,513
4 Value of Raw materials & Stores consumed:		
a. Raw Material		
Imported (excl. Customs Duty)	6,87,11,191	45,57,987
Indigenous	1,47,79,01,945	1,39,08,98,532
b. Stores		
Imported	-	-
Indigenous	1,80,03,888	1,75,68,270
5 Earnings in Foreign exchange:		
Export of goods on FOB basis	23,04,502	NIL

6 The Company has been granted **STAR EXPORT HOUSE STATUS** from DGFT. The Company has availed the following Advance Licences for import of RAW MATERIALS, against the Export Obligation for the supplies made to EOU Coffee companies.

Sl No	Advance License No.	Status	Date	FOB Value
1	No. 0910069261	The Company has fulfilled the Export Obligation, obtained Banker's Certificate and is in the process of submitting application to DGFT for redemption.	28-09-2020	16,34,57,398
2	No. 0911003193	The Company has fulfilled the Export Obligation, and is in the process of obtaining Banker's Certificate and submission application to DGFT for redemption.	17-06-2022	2,23,52,941

7 Provision is made for regular Income Tax as per provisions of Income Tax Act, 1961 and is adjusted against Income Tax paid.

- a Deferred tax (liability) for the current year is recognised for Rs. 10.00 lacs and debited to profit & loss A/c in the current year.
b The breakup of the deferred tax liability as on 31.03.2022 is as under:

Deferred Tax Liability upto 31.03.2023	₹ 1,24,90,657
Add: Deferred Tax Asset for 2023-24	₹ 25,00,599
Total Liability as on 31.03.2024	₹ <u>1,49,91,256</u>

8 Balances of Payables / Debtors and Loans & Advances as on 31.03.2024 are subject to confirmation.

9 Segment wise results as per AS-17 are not applicable to the Company as the Company is having only one accounting segment.

10 Related party disclosures

Related party disclosure as required by AS-18 are given under

A) Transactions during the year

Name of the party	Relationship	Nature of Transaction	31.03.2024	31.03.2023
AJAY AGARWAL, Director	Key Management	Consultancy	6,00,000	6,00,000
NITIN AGARWAL, Managing Director	Key Management	Remuneration	40,00,000	36,00,000
Relatives				
Mrs. Ridhi Agarwal	W/o Nitin Agarwal	Salary	6,00,000	6,00,000
Mrs Ranjani Agarwal	W/o. Ajay Agarwal	Salary	6,00,000	6,00,000
		Rent	6,00,000	6,00,000
M/s. Asian Colour Cartons	Ajay Agarwal's & Nitin Agarwal's relatives are interested as Partners	Rent	36,00,000	36,00,000
HARSO STEELS PRIVATE LIMITED	Nitin Agarwal's relatives are interested.	Rent	35,26,877	32,68,130
		Sales	-	-
A J CANS PRIVATE LIMITED	Ajay Agarwal & Nitin Agarwal are Interested as Directors	Purchase	35,87,63,640	33,82,30,757
		Sales	26,75,05,444	25,81,10,730
		Rent	18,00,000	18,00,000

B) Payables as at 31.03.2024

Name of the party	Relationship	Nature of Transaction	31.03.2024	31.03.2023
AJ Cans Private Limited	ASSOCIATE COMPANY	USL	7,00,00,000	
AJAY AGARWAL, Director	KEY MANAGEMENT	Consultancy	-	7,144



A J PACKAGING LIMITED

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2024.

NITIN AGARWAL, Managing Director	KEY MANAGEMENT	Remuneration	18,59,006	39,56,047
Relatives				
Mrs. Ridhi Agarwal	W/o Nitin Agarwal	Salary	1,06,815	4,32,034
Mrs. Ranjani Agarwal	W/o. Ajay Agarwal	Salary, Rent	8,56,262	34,37,901


11 Ratio analysis

The following are the ratio analysis for the year ended 31st March 2024 and 31st March 2023

Particulars	Numerator / Denominator	31.03.2024	31.03.2023	Variance
Current Ratio	Current Assets Current Liabilities	1.05	1.09	-4.00%
Debt-Equity Ratio	Long Term Debt Total Equity	0.74	0.78	-4.66%
Debt Service Coverage Ratio	Earnings available for Debt service Interest + Principal Repayments	1.19	1.22	-2.46%
Return on Equity Ratio	Net profit after Tax Total Equity	87.66%	53.94%	62.51%
Inventory Turnover Ratio	Cost of Materials consumed Average Inventory	2.79	2.75	1.28%
Trade Receivables to Turnover Ratio	Revenue from Operations Average Trade Receivables	20.33	16.69	21.84%
Trade Payables to Turnover Ratio	Purchases Average Trade Payable	7.24	7.48	-3.26%
Net Capital Turnover Ratio	Revenue from Operations Net Working Capital	62.03	30.00	106.76%
Net profit Ratio	Net profit Revenue from Operations	2.02%	1.43%	41.28%
Return on Capital employed	Net profit Capital employed	7.26%	5.07%	43.19%
Return on Investment	Income generated from Investments Total Investments	0.10	0.10	-

Signatures to Schedules 1 to 22

As per our Report attached
For CHOWDARY & RAO
Chartered Accountants
FRN 000656S


M. SUNIL KUMAR
Partner
Membership No. 217061



For and on behalf of the Board


Ajay Agarwal
Director
DIN: 01030320


Nitin Agarwal
Director
DIN: 06381755



Place : Hyderabad
Date : 05-09-2024

