



Group Tax Strategy

Approved By: CFO Finance Department

Revision Date

16.01.2024

Revision No.

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Company Overview

Company overview Manjushree Technopack Limited is one of India's leading and largest rigid plastic packaging companies, headquartered in Bengaluru, Karnataka, with 20 manufacturing plants across PAN India. Our Company came into existence in the year 1978 and has emerged as a thought leader in the rigid plastic packaging space. We have world-class facilities and technologies to serve diverse FMCG industry verticals, from dairy to liquor and spirits, food and beverages, agrochemicals, pharma, home care, personal care, and more. Our product portfolio comprises HDPE, PP, and PET plastic materials. Today, our Company has an enviable portfolio of custom & stock products, selling to large FMCG multinationals across India.

Group Tax Strategy

The group tax strategy is aligned to the Company's corporate governance practice, value system and its enterprise risk management framework.

Integrity and transparency are key to the corporate governance practices to ensure that we always gain and retain the trust of all the stakeholders.

The tax strategy charter comprises the following:

1. Governance
2. Compliance
3. Planning
4. Transfer pricing
5. Risk management and certainty
6. Engagement with tax authorities

1.Tax Governance

Audit and Risk Committee of The Board has oversight of identification, evaluation and mitigation of strategic, operational, legal and compliance risks. This Tax Strategy is approved by the Board and is monitored by the finance team and Group Tax Head within the overall control and governance framework of the Company. The Company's code of conduct also expresses our commitment to conducting business ethically. It explains what it means to act with integrity and transparency in everything we do and in accordance with our unique culture and values.

2.Tax Compliance

As regulatory compliance is a key objective for the company, tax compliance is a priority in each jurisdiction where the company operates. MTL seeks to comply with tax filing, tax reporting, tax payment obligations and relevant disclosure globally for all taxes. External tax advisor support is sought on a need basis to support The Company in complying with local country tax regulations. Global compliances are tracked through The Company's compliance tracker system which has an inbuilt early warning mechanism. The summary report from the



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system and the dashboard is made available to the Group Tax Head and monitored at regular intervals.

3. Tax Planning

MTL recognizes that it has a responsibility to pay appropriate tax in each of the jurisdictions in which it operates. MTL may avail itself of tax incentives which are made available by the laws and regulations of a jurisdiction provided they are aligned with its business or operational objectives. The company endeavors to operate in an efficient and legally compliant manner and may seek external advice in relation to tax matters or areas of complexity or uncertainty to support MTL in complying with its tax strategy. As a policy, the Company does not undertake aggressive tax planning, does not tolerate tax evasion, nor does it tolerate the facilitation of tax evasion by any person(s) acting on the behalf of the company.

4. Transfer Pricing

MTL's transfer pricing policies and disclosures comply with the transfer pricing laws and regulations.

5. Risk management and certainty

MTL is exposed to a variety of tax risks and has a low tolerance of tax risk. The company's enterprise risk management framework encompasses practices related to identification, analysis, evaluation, treatment, mitigation, monitoring of the strategic, operational, legal and compliance risks to achieve the key business objectives. MTL transactions are driven based on a commercial rationale and the company's economic activity. The Company does not use any tax havens or artificial tax avoidance schemes for the purpose of gaining a tax advantage.

Tax law may be subject to risk of interpretation especially where there is less clarity on taxation of new business models due to continuous evolving technology. The Tax function takes the lead role in identifying, managing and monitoring tax risks within the business with regular review. Where there is significant uncertainty or complexity in relation to a risk, external advice is sought. To achieve greater certainty, the Company engages with tax authorities to disclose and resolve issues, risks and uncertain tax positions by obtaining tax rulings, Advance pricing agreements etc.

6. Engagement with tax authorities

MTL engages with tax authorities globally with honesty, integrity, respect and fairness and in a spirit of cooperative compliance. We are committed to prompt disclosure and transparency in all tax matters with respective tax authorities. From time to time, our views (or those of our advisors) on the appropriate tax treatment in any given case may differ from those of the tax authorities. Where such circumstances arise, we are prepared to litigate where we disagree with a ruling or decision of a tax authority but will first seek to resolve any disputed matters through pro-active and transparent discussion and negotiation.



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Commitment to Compliance with Tax Laws: We are committed to adhering to both the letter and the spirit of tax laws and regulations in all the countries where our company operates. Our tax practices prioritize compliance, integrity, and transparency.

Commitment to Avoiding Tax Evasion: We pledge not to transfer value created by our operations to low-tax jurisdictions for the purpose of tax evasion. Our tax strategy emphasizes responsible tax planning that aligns with our business activities and contributes to the societies in which we operate.

Commitment to Commercially Substance Tax Structures: We commit to refraining from using tax structures that lack commercial substance or are primarily designed for tax avoidance purposes. Our tax planning focuses on legitimate business activities and transactions that create genuine economic value.

Commitment to Arm's Length Transfer Pricing: We affirm our commitment to conducting transfer pricing in accordance with the arm's length principle. Our transfer pricing policies ensure that transactions between related entities are priced at market rates, promoting fairness and consistency in our tax affairs.

Commitment to Avoiding Tax Havens: We pledge not to utilize secrecy jurisdictions or "tax havens" for the purpose of tax avoidance. Our tax strategy prioritizes transparency and accountability, and we actively seek to minimize the use of jurisdictions known for facilitating tax evasion.

Board Approval Process for Tax Policy: Our tax policy undergoes a rigorous approval process by the board of directors to ensure alignment with our company's values, objectives, and legal obligations. The board provides oversight and guidance on our tax strategy to uphold ethical standards and promote responsible business practices.