This Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made through this Placement Document to the public or any other categories of investors other than the Eligible QIBs. This Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The information in this Placement Document is not complete and may be changed.

Placement Document
Private and confidential
Serial Number________

CARYSIL LIMITED

Our Company was originally incorporated as "Acrysil (India) Limited" as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 19, 1987 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Thereafter, our Company's name was changed to "Acrysil Limited" pursuant to a fresh certificate of incorporation consequent on change of name dated November 16, 1998 issued by the RoC. Further, the name of our Company was subsequently changed from Acrysil Limited to "Carysil Limited" pursuant to a certificate of incorporation pursuant to a change of name dated October 26, 2022, issued by the RoC. For details of the change in the name of our Company, see section titled "*General Information*" on page 186.

CIN: **L26914MH1987PLC042283**
Registered Office: A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, India
Telephone: 022 4190 2000; **Email**: cs.al@carysil.com; **Website**: www.carysil.com
Company Secretary & Compliance Officer: Reena Tejas Shah

Issue of up to 15,70,351 equity shares of face value of ₹ 2 each of our Company (the "**Equity Shares**") at a price of ₹ 796.00 per Equity Share, including a premium of ₹ 794.00 per Equity Share (the "**Issue Price**"), aggregating up to ₹ 12,500 lakhs (the "**Issue**"). For further details, see the section titled "*Summary of the Issue*" on page 26.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTIONS 42 AND 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER.

The Equity Shares of our Company are listed on National Stock Exchange of India Limited (the "**NSE**") and BSE Limited (the "**BSE**" and together with the NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on the NSE and the BSE as on July 03, 2024 were ₹ 846.45 and ₹ 847.55 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on July 01, 2024. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) HAS BEEN MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTIONS 42 AND 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THIS PLACEMENT DOCUMENT HAS BEEN CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 37 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT.

A copy of the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (*each as defined hereinafter*). For further details, please see section titled "*Issue Procedure*" on page 147. The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any documents referred to in this Placement Document.

The information on the website of our Company, or any other website directly or indirectly linked to the website of our Company or the website of the Book Running Lead Manager (*as defined hereinafter*) or its affiliates, does not constitute nor form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue were offered and are being sold only outside the United States in *"offshore transactions"* as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see the section titled "*Selling Restrictions*". The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 169, respectively.

BOOK RUNNING LEAD MANAGER
EQUIRUS CAPITAL PRIVATE LIMITED

This Placement Document is dated July 03, 2024

Reena Tejas Shah
Digitally signed by Reena Tejas Shah

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and our Subsidiaries and the Equity Shares which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company and our Subsidiaries and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company and our Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company and our Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the BRLM have any obligation to update such information to a later date.

Equirus Capital Private Limited (the "**Book Running Lead Manager**" or the "**BRLM**") has not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of its shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by such persons as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with the Issue or the distribution of the Placement Document. Each person receiving this Placement Document acknowledges that such person has neither relied on the BRLM nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of us and the merits and risks involved in investing in the Equity Shares to be issued pursuant to the Issue.

The distribution of this Placement Document and the disclosure of any its contents to any person other than the Eligible QIBs specified by the BRLM or its representatives, and those persons, if any, retained to advise such prospective investors with respect thereto, is unauthorised and prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained herein must not be relied upon as having been authorised by, or on behalf of our Company or by or on behalf of the BRLM.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The distribution of this Placement Document and the offer and sale of the Equity Shares in the Issue in certain jurisdictions may be restricted by law. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for in India, no action has been taken by our Company or the BRLM that would permit an offering of the Equity Shares in the Issue or the distribution of this Placement Document in any jurisdiction where action for that purpose is required. Accordingly, the Equity Shares offered in the Issue may not be offered or sold, directly or indirectly, and neither this Placement Document nor any other materials issued in connection with the Issue may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue were offered and are being sold only outside the United States in "*offshore transactions*" as defined in and in reliance on Regulation S. Therefore, this Placement Document may not be distributed to any person in the United States. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" on page 161. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 169, respectively.

In making an investment decision, the prospective investors must rely on their own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company or the BRLM is not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to the Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser or offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each purchaser of the Equity Shares offered in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable laws, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 (read with Rule 14 of the PAS Rules) and other applicable provisions of the Companies Act, 2013 and that is not prohibited by SEBI or any other regulatory, statutory or judicial authority, on India or any other jurisdiction, from buying, selling or dealing in securities, including the Equity Shares.

This Placement Document contains summaries of certain terms and conditions of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents and disclosures included in the section titled "*Risk Factors*" on page 37.

The information on our Company's website at www.carysil.com or any website directly or indirectly linked to our Company's website or the website of the BRLM, its associates or its affiliates, does not constitute or form part of this Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

The Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in this Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Manager, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to this Issue has not been made based on any information relating to our Company or our Subsidiaries which is not set forth in this Placement Document;

2. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, to the extent applicable, and all other applicable laws; and (ii) comply with all requirements under applicable law, including SEBI ICDR Regulations, the Companies Act, 2013, reporting obligations, requirements/ making necessary filings, if any, in connection with this Issue;

3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, or (ii) a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and the notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities including to the Equity Shares or otherwise accessing the capital markets. You confirm that you are not a FVCI;

5. You are eligible to invest in and hold the Equity Shares of our Company in accordance with the Consolidated FDI Policy and the FEMA Rules, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules. You confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route);

6. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

7. You are able to purchase the Equity Shares in accordance with the restrictions described in "*Selling Restrictions*" on page 161 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" on page 161;

8. If you are Allotted Equity Shares pursuant to this Issue, you shall not sell the Equity Shares so acquired for a period of one year from the date of Allotment (hereinafter defined), except on the Stock Exchanges and in accordance with any other resale restrictions applicable to you. You hereby make the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 169, respectively;

9. You are aware that this Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares has been offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. You acknowledge that the Preliminary

Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4) have not been reviewed, verified or affirmed by SEBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

10. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied with and shall comply with all necessary formalities to enable you to participate in this Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

11. You acknowledge that neither our Company, the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with this Issue and your participation in this Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Manager. Neither the Book Running Lead Manager nor any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to this Issue and are not in any way acting in any fiduciary capacity in relation to you;

12. You acknowledge that all statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You acknowledge that such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You have not placed undue reliance on forward-looking statements, which speak only as of the date of this Placement Document. You acknowledge that none of our Company, the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

13. You are aware that the Equity Shares have been offered only to Eligible QIBs on a private placement basis and have not been offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company, in consultation with the Book Running Lead Manager;

14. You understand and agree that the Equity Shares to be subscribed in the Issue are transferrable only in accordance with the restrictions described under the section titled "*Selling Restrictions*" on page 161 and you have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under sections titled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 169, respectively and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

15. You have been provided a serially numbered copy of this Placement Document, and have read it in its entirety, including the section titled "*Risk Factors*" on page 37;

16. In making your investment decision, you have (i) relied on your own examination of our Company and our Subsidiaries and the terms of this Issue, including the merits and risks involved, (ii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iii) relied solely on the information contained in this Placement Document and no other disclosure or representation by our Company, its Subsidiaries or any other party, and (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of the Equity Shares offered in the Issue;

17. You acknowledge that neither the Book Running Lead Manager nor any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and

disposal of the Equity Shares offered in the Issue. You have obtained your own independent tax advice regarding the tax consequences of purchase, ownership and disposal of the Equity Shares offered in the Issue. You waive, and agree not to assert any claim against, either of the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

18. You have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You and any managed accounts for which you are subscribing to the Equity Shares: (i) acknowledge that an investment in the Equity Shares involves a high degree of risk and you are each able to bear the economic risk of the investment in the Equity Shares, including a complete loss on the investment in the Equity Shares; (ii) will not look to our Company and/or the Book Running Lead Manager or any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;(iii) have no need for liquidity with respect to the investment in the Equity Shares; and (iv) are seeking to subscribe to the Equity Shares in this Issue for your investment purposes and not with a view to resell or distribute and have no reason to anticipate any change in your or their circumstances - financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

19. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act), and are not a person related to the Promoter (as defined hereinafter), either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

20. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);

21. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to this Issue. Your aggregate holding after the Allotment of the Equity Shares shall not exceed the levels permissible as per any applicable law;

22. Your aggregate holding, together with other Eligible QIBs in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under this Issue shall not exceed 50% of the Issue Size (as defined hereinafter). For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiaries or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

23. You are aware that (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company, the Book Running Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

24. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

25. You are aware that in terms of the requirements of the Companies Act upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in this Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Manager;

26. You are aware that our Company shall make necessary filings with the RoC as may be required under the Companies Act;

27. You acknowledge that this Placement Document does not, and this Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through this Issue in favour of any person;

28. You will provide the information as required under the Section 42 of the Companies Act and Rule 14 of the PAS Rules for record keeping by our Company, including your name, father's name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act;

29. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted 5% or more of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

30. You are aware and understand that the Book Running Lead Manager has entered into a Placement Agreement with our Company, whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

31. You acknowledge that the contents of this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Manager nor any person acting on its behalf or any of the counsel or advisor to this Issue has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Manager or our Company or any other person or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, and the Book Running Lead Manager and their affiliates will not be liable for your decision to accept an invitation to participate in this Issue based on any other information, representation, warranty, statement or opinion;

32. Neither the Book Running Lead Manager nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

33. You are subscribing to the Equity Shares to be issued pursuant to this Issue in accordance with applicable laws and by participating in this Issue, and that you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India

(Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act;

34. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue ("**Company Presentations**"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Manager has advised you not to rely in any way on any such information that was provided to you at such meetings or presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

35. You agree that any dispute arising in connection with this Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

36. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations;

37. You have no right to withdraw your Application Form or revise your Bid downwards after this Issue Closing Date (as defined hereinafter);

38. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

39. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in this Issue. You agree to indemnify and hold our Company and the Book Running Lead Manager and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

40. You acknowledge that our Company, the Book Running Lead Manager, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Manager and the Company, and such representations, warranties, acknowledgements and undertakings are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI, including the affiliates of the BRLM, which is registered as Category I FPI, may issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations, i.e., as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying and all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPI and such instrument is being transferred only to persons eligible for registration as Category I FPI subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). SEBI has, *vide* a master circular dated December 19, 2022, issued operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**") to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, Investment Restrictions shall apply on the aggregate of the FPI, and investments and P-Note positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in this Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by and are the sole obligations of third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

Investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes, or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

(a) warrant, certify or endorse the correctness or completeness of the contents of this Placement Document; or

(b) warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

(c) take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs in this Issue and references to the "Issuer", "the Company", "our Company" refers to Carysil Limited and references to "we", "us", or "our" are to our Company together with its Subsidiaries, on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Placement Document to (i) the 'US' or 'U.S.' or the 'United States' or the 'U.S.A' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'UK' or 'U.K.' or the 'United Kingdom' are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

In this Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India, references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States, references to "GBP" or "£", are to the legal currency of Great Britain and references to "Euro" or "€", are to the legal currency of European Union.

In this Placement Document, references to "Lakh" represents "100,000", "million" represents "1,000,000", "crore" represents "10,000,000", and "billion" represents "1,000,000,000".

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Unless otherwise stated, all references to page numbers in this Placement Document are to page numbers of this Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms "Fiscal", "Financial Year", "Fiscals" or "Fiscal Year", refer to the 12-month period ending March 31 of that particular year. Unless stated otherwise, the financial data in this Placement Document is derived from the Audited Consolidated Financial Statements.

In this Placement Document, we have included the following financial statements prepared in accordance with Indian Accounting Standards ("**Ind AS**") as notified under the Companies (Indian Accounting Standards) Rules, 2015, ("**Ind AS Rules**") read with Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India:

(a) the audited consolidated Ind AS financial statements of our Company and its subsidiaries comprising of the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2024 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information;

(b) the audited consolidated Ind AS financial statements of our Company and its subsidiaries, comprising of the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2023 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information;

(c) the audited consolidated Ind AS financial statements of our Company and its subsidiaries, comprising of the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2022 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information ((a), (b) and (c) are collectively referred to in this Placement Document as the "**Audited Consolidated Financial Statements**").

The Audited Consolidated Financial Statements should be read along with the respective audit reports. For further details, see "*Risk factors - Our Statutory Auditors have included an observation or remark on report on other legal and regulatory requirements in our Fiscal 2023 Consolidated Financial Statement and certain emphasis of matters in the auditor's reports on our Company's audited consolidated financial statements for the year 2019-2020 and our Subsidiary Carysil Steel Limited's audited standalone financial statements for the year 2019-2020*" on page 49.

Our Company prepares its annual financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited. Also see, "*Risk Factors – Significant differences exist between Indian Accounting Standards ("**Ind AS**") and other accounting principles, such as the generally accepted accounting principles in the US ("**US GAAP**") and International Financial Reporting Standards ("**IFRS**"), which may be material to Bidders' assessment of our financial condition.*" on page 53.

Our Audited Consolidated Financial Statements are prepared in lakhs and have been presented in this Placement Document in lakhs and have been rounded off or expressed in two decimals. Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Non-GAAP financial measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA and interest coverage ratio have been included in this Placement Document. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

These non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities and are not required by or presented in accordance with Indian GAAP or Ind AS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "*Financial Information*" on page 185.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "*Industry Overview*" on page 100. The industry, market and economic data included in this Placement Document has been derived from the report titled '*Custom Report-India Kitchen Sink and Other Related Markets (CY 2024-CY 2029*)' dated June 11, 2024 prepared by Mordor Intelligence ("**Mordor**") (the "**M&I Report**"). Our Company has commissioned and paid for the M&I Report pursuant to the engagement letter signed with Mordor.

Mordor is not related in any manner to our Company, its Subsidiaries, our Promoters, Directors, Key Managerial Personnel and members of Senior Management. The industry, market and economic data in the M&I Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the BRLM can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors- We have exclusively commissioned and paid for an industry report which is prepared for the purposes of the Issue and issued by Mordor, which has been used for industry related data in this Placement Document. Accordingly, prospective investors are advised not to base their investment decision solely on such information*." on page 52. Further, the calculation of certain statistical and/or financial information / ratios specified in the sections titled "*Our Business*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in the M&I Report. Data from these sources may also not be comparable. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information. Our Company takes responsibility for accurately reproducing such information but accepts no further responsibility in respect of such information and data.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "expected to", "intend", "is/are likely", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "will continue", "would", "will likely result", or any other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, among other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. The forward-looking statements also include statements as to our Company's planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business, technology and other matters discussed in this Placement Document that are not historical facts.

These forward-looking statements contained in this Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Difficulties we may experience in geographies in which our sales and revenues are concentrated and in untapped markets where we intend to increase our presence;
- Liability claims or termination of contracts with our customers for failure to timely supply the products or for supply of defective products;
- Failure by our customers to meet our payment schedules;
- Our dependence on moulds, machines and equipment at our manufacturing facilities for our operations;
- Our inability to keep pace with technical and design developments in the kitchen sinks industry;
- Our reliance on our suppliers for supply of certain raw materials;
- Our business being manpower intensive and our dependence on the adequate supply and availability of contract labourers from independent contractors at our Company' manufacturing facilities;
- Our failure in obtaining additional financing, including working capital requirements; and
- Fluctuation in the value of the Indian Rupee against the foreign currencies in which export proceeds and the cost of our imported raw material are denominated.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Our Business*" on pages 37, 81, 100 and 125, respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Placement Document or the respective dates indicated in this Placement Document, and neither we, the BRLM nor any of its affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the BRLM will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All our Company's Directors and our Key Managerial Personnel and Senior Management are residents of India and a substantial portion of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers, under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom of Great Britain, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment or a recognisance in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the BRLM cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. dollar (in ₹ per USD), the Pound (in ₹ per GBP) and the Euro (in ₹ per EUR) based on the reference rates released by the RBI and Financial Benchmark India Private Limited. No representation is made that the Indian Rupee amounts actually represent such amounts in U.S. dollar, Pound or Euro could have been or could be converted into USD, Pound or Euro at the rates indicated, any other rates, or at all.

USD to INR

Particulars	*(₹ Per US$)*			
	Period end(^)	**Average*(1)**	**High(2)**	**Low(3)**
Financial Year ended:				
March 2024	83.38	82.79	83.60	81.69
March 2023	82.22	80.39	83.20	75.39
March 2022	75.81	74.51	76.92	72.48
Month ended*^				
June 30, 2024	83.45	83.47	83.59	83.07
May 31, 2024	83.29	83.49	83.52	83.08
April 30, 2024	83.52	83.41	83.52	82.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.84
January 31, 2024	83.08	83.12	83.33	82.85
December 31, 2023	83.12	77.12	83.92	73.05

Source: www.fbil.org.in, www.rbi.org.in, as applicable
(^) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.
**(1)Average of the official rate for each Working Day of the relevant period.*
(2) Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

GBP to INR

Particulars	*(₹ Per GBP)*			
	Period end(^)	**Average*(1)**	**High(2)**	**Low(3)**
Financial Year ended:				
March 2024	105.29	104.07	107.64	100.39
March 2023	101.87	96.83	102.23	86.62
March 2022	99.55	101.78	104.58	99.36
Month ended*^				
June 30, 2024	105.46	106.16	106.86	105.46
May 31, 2024	105.93	105.30	106.32	104.21
April 30, 2024	104.64	104.38	105.60	102.88
March 31, 2024	105.29	105.54	106.36	104.65
February 29, 2024	105.03	104.80	105.63	104.25
January 31, 2024	105.31	105.60	106.10	104.74
December 31, 2023	106.11	99.86	102.23	98.00

Source: www.fbil.org.in, www.rbi.org.in, as applicable
(^) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.
**(1)Average of the official rate for each Working Day of the relevant period.*
(2) Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

- *The RBI reference rates are rounded off to two decimal places.*

EUR to INR

Particulars				*(₹ Per EUR)*
	Period end(^)	**Average*(1)**	**High(2)**	**Low(3)**
Financial Year ended:				
March 2024	90.22	89.80	92.45	87.07
March 2023	89.61	83.72	90.26	78.34
March 2022	84.66	86.56	90.51	83.48
Monthly ended *^				
June 30, 2024	89.25	89.89	91.02	89.25
May 31, 2024	90.12	90.10	90.83	89.48
April 30, 2024	89.34	89.44	90.49	88.56
March 31, 2024	90.22	90.27	90.91	89.58
February 29, 2024	89.86	89.55	90.13	89.06
January 31, 2024	89.88	90.77	91.92	89.88
December 31, 2023	92.00	87.31	90.31	84.05

Source: www.fbil.org.in, www.rbi.org.in, as applicable
(^) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.
**(1) Average of the official rate for each Working Day of the relevant period.*
(2) Maximum of the official rate for each Working Day of the relevant period.
(3) Minimum of the official rate for each Working Day of the relevant period.

Notes:
- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled "Use of Proceeds", "Capital Structure", "Industry Overview", "Our Business", "Taxation", "Legal Proceedings" and "Financial Information" on pages 62, 75, 100, 125, 177, 180 and 185, respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
"Our Company", "the Company", "the Issuer"	Carysil Limited, a public limited company, incorporated under the Companies Act, 1956 and having its registered office at A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, India
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company along with its Subsidiaries on a consolidated basis.

Company related terms

Term	Description
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in "*Board of Directors and Senior Management-Committees of our Board of Directors*" on page 139
Audited Consolidated Financial Statements	Collectively, Fiscal 2024 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements and Fiscal 2022 Audited Consolidated Financial Statements
Auditors or Statutory Auditors or Independent Auditors	The current statutory auditors of our Company namely, M/s. P A R K & COMPANY, Chartered Accountants
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof, as disclosed in "*Board of Directors and Senior Management*" on page 133
Capital Raising Committee	The Capital Raising Committee constituted by our Board for the purposes of the Issue, comprising of Chirag Ashwinbhai Parekh, Rustam Mulla, Prabhakar Dalal, Dr. Savan Godiawala and Anandkumar Hausalaprasad Sharma
Company Secretary & Compliance Officer	The compliance officer of our Company, being Reena Tejas Shah
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Board, as disclosed in "*Board of Directors and Senior Management-Committees of our Board of Directors*" on page 139
COO	Chief Operating Officer of our Company, being Anandkumar Hausalaprasad Sharma
Director(s)	The directors on the Board of our Company, as may be appointed from time to time
Equity Shares	The equity shares of a face value of ₹ 2 each of our Company
Executive Director(s)	Executive directors of our Company, unless otherwise specified
Fiscal 2022 Audited Consolidated Financial Statements	The audited consolidated Ind AS financial statements of our Company and its subsidiaries, comprising of the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2022 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information
Fiscal 2023 Audited Consolidated Financial Statements	The audited consolidated Ind AS financial statements of our Company and its subsidiaries, comprising of the consolidated balance sheet as at March 31, 2023, the

Term	Description
	consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2023 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information
Fiscal 2024 Audited Consolidated Financial Statements	The audited consolidated Ind AS financial statements of our Company and its subsidiaries, comprising of the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended March 31, 2024 and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information
Group CFO	Chief Financial Officer of the group to which our Company belongs, being Anandkumar Hausalaprasad Sharma
Independent Director(s)	Independent directors of our Company, unless otherwise specified
Key Managerial Personnel	The key managerial personnel of our Company in accordance with the provisions of the Companies Act and SEBI ICDR regulations and as described in "*Board of Directors and Senior Management-Key Managerial Personnel*" on page 140
Managing Director	The managing director of our Company, being Chirag Ashwinbhai Parekh
Memorandum or Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in "*Board of Directors and Senior Management-Committees of our Board of Directors*" on page 139
Non-Executive Director(s)	Non-executive directors of our Company, unless otherwise specified
Promoters	The promoters of our Company, namely Chirag Ashwinbhai Parekh and Shetal Chirag Parekh
Promoter Group	The individuals and entities forming part of the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office	The registered office of our Company located at A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai 400 093, India
Risk Management Committee	The Risk Management Committee constituted by our Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in "*Board of Directors and Senior Management-Committees of our Board of Directors*" on page 139
Senior Management	The members of the senior management of our Company in accordance with Regulation 2 (1) (bbbb) of the SEBI ICDR Regulations and as disclosed in "*Board of Directors and Senior Management-Senior Management*" on page 140
Shareholders	Shareholders of our Company from time to time
Stakeholders Relationship Committee	The Stakeholders Relationship Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in "*Board of Directors and Senior Management-Committees of our Board of Directors*" on page 139
Subsidiaries	The subsidiaries of our Company, namely, Carysil GmbH, Acrysil USA Inc., Carysil UK Limited, Carysil Steel Limited, Carysil Online Limited, Sternhagen Bath Private Limited, Carysil Ceramitech Limited, Carysil FZ LLC, Carysil Ankastre Sistemleri Ticaret Limited and the step down subsidiaries of the Company i.e., United Granite LLC, Carysil Products Limited, Carysil Surfaces Limited and Carysil Brassware Limited.

Issue related terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLM, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	The aggregate amount paid by a Bidder at the time of submitting a Bid in the Issue
Application Form	Form (including any revisions thereof) which was submitted by the Eligible QIBs for registering a Bid in the Issue

Term	Description
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue at the time of submission of the Application Form
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Bidding Period/ Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids including any revision and/or modifications thereof
Book Running Lead Manager or BRLM	Equirus Capital Private Limited
CAN/ Confirmation of Allocation Note	Note, advice or intimation issued confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about July 03, 2024
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the BRLM
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs that were eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that were eligible to participate in the Issue and which were not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and were not restricted from participating in the Issue under the applicable laws. Further, FVCIs were not permitted to participate in the Issue and accordingly, were not Eligible QIBs. For further details, see sections titled "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 147, 161 and 169, respectively.
Escrow Account	Non-interest bearing, no-lien, current bank account without any cheque or overdraft facilities, to be opened in the name and style "*CARYSIL LIMITED – QIP-2024* " with the Escrow Bank, in accordance with the terms of the Escrow Agreement (A) into which the Application Amount in connection with subscription of the Equity Shares pursuant to the Issue were deposited by the Bidders; and (B) from which refunds, if any, of the Refund Amount shall be remitted.
Escrow Agreement	Agreement dated June 28, 2024, entered into by and among our Company, the Escrow Bank and the Book Running Lead Manager for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	HDFC Bank Limited
Floor Price	Floor price of ₹837.89 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than five per cent on the Floor Price in accordance with the approval of our Board dated March 20, 2024 and the approval accorded by the shareholders of the Company through a special resolution passed on May 02, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act and the rules made thereunder
Issue Closing Date	July 03, 2024, the date after which our Company (or Book Running Lead Manager on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Issue Opening Date	July 01, 2024, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Price	A price per Equity Share of ₹ 796.00, as determined by our Company in consultation with Book Running Lead Manager, which shall be equal to or greater than the minimum price calculated in accordance with Regulation 176(1) of the SEBI ICDR Regulations. Our Company may offer a discount of not more than five per cent on the Floor Price in terms of the proviso to Regulation 176(1) of the SEBI ICDR Regulations or such other discounts as permitted by law
Issue Size	Aggregate size of the Issue, up to ₹ 12,500 lakhs

Term	Description
Monitoring Agency	ICRA Limited, being a credit rating agency registered with SEBI, appointed by our Company in accordance with the provisions of the SEBI ICDR Regulations
Monitoring Agency Agreement	Monitoring agency agreement dated July 01, 2024, entered into between our Company and the Monitoring Agency, for monitoring the use of the Net Proceeds of the Issue in accordance with the terms of the Placement Document
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Pay-In Date	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
Placement Agreement	Placement agreement dated June 29, 2024 by and among our Company and the Book Running Lead Manager
Preliminary Placement Document	The Preliminary Placement Document dated July 01, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act and the rules prescribed thereunder
Placement Document	This Placement Document dated July 03, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act and the rules prescribed thereunder
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act read with applicable rules
Regulation S	Regulation S under the Securities Act
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part, of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from our Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Relevant Date	July 01, 2024, which is the date of the meeting in which our Capital Raising Committee decided to open the Issue
Securities Act / U.S. Securities Act / United States Securities Act	The United States Securities Act of 1933, as amended
Stock Exchanges	BSE and NSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India

Business, technical and industry related terms

Term	Description
M&I Report	The report titled "Custom Report-India Kitchen Sink and Other Related Markets (CY 2024-CY 2029)" dated June 11, 2024 that has been prepared by Mordor
Mordor	Mordor Intelligence

Conventional and general terms

Term	Description
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound annual growth rate
Category I Foreign Portfolio Investors / Category I FPIs	FPIs who are registered with SEBI as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Foreign Portfolio Investors / Category II FPIs	FPIs who are registered with SEBI as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Foreign Portfolio Investors / Category III FPIs	FPIs who are registered with SEBI as "Category III foreign portfolio investors" under the SEBI FPI Regulations

Term	Description
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
CLRA Act	Contract Labour Registration Act, 1970
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, Companies Act, 2013	The Companies Act, 2013 along with the relevant rules made and clarifications issued thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
CrPC	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FIR	First information report
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM
GoI or Government	Government of India
GST	Goods and Services Tax
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards, as per the roadmap issued by the Ministry of Corporate Affairs, Government of India, notified by the MCA under section 133 of the Companies Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Indian Generally Accepted Accounting Principles (GAAP) as notified under Section 133 of the Companies Act read with Companies (Accounts) Rules, 2014
IRDAI	Insurance Regulatory and Development Authority of India
MCA	Ministry of Corporate Affairs, GoI
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
RoC or Registrar	Registrar of Companies, Maharashtra at Mumbai
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act

Term	Description
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S.	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCF	Venture capital fund
Wilful Defaulter or a Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

SUMMARY OF BUSINESS

We are the only Asian company and globally among the top four manufacturers of Quartz Kitchen Sinks using Schock technology (Germany) (*Source: M&I Report*). Our product portfolio encompasses a wide range of offerings from Quartz kitchen sinks to Stainless Steel kitchen sinks, faucets and kitchen surfaces. We cater to various needs in the kitchen. We also sell built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dishwashers, built-in ovens, microwave ovens, ice and coffee makers and food waste disposers. We also offer a comprehensive selection of bathroom products, including water closets (WCs) and fittings. Our Company sells its kitchen products under the brand 'Carysil' and bathroom products under the brand 'Sternhagen'. Our Company sells its high value products featuring built-in kitchen appliances, under the brand 'Tekcarysil'.

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and TUV certifications for the development, manufacture and supply of composite quartz kitchen sinks and wash basin. Our subsidiary, Carysil Steel Limited has obtained ISO 45001:2018, ISO 14001: 2015 and ISO 9001:2015 certifications for the manufacture of its stainless steel kitchen sinks.

Our revenue from foreign and domestic operations on consolidated basis, for Fiscals 2024, 2023 and 2022 are set out below:

(₹ in lakhs, except for percentage)

Particulars	Fiscal 2024	In %	Fiscal 2023	In %	Fiscal 2022	In %
Sale of products						
Exports	54,228.84	79.86	46,104.94	78.46	38,175.11	79.66%
Domestic	13,675.25	20.14	12,657.15	21.54	9,745.91	20.34%
Total	**67,904.09**	**100.00**	**58,762.09**	**100.00**	**47,921.02**	**100.00**

As on March 31, 2024, our Company is exporting to more than 55 countries with more than 80 customers across the globe. Further, as on March 31, 2024, our sales and revenues are geographically concentrated in the United States, the United Kingdom and India.

The details of our major country wise revenue from operations, for Fiscals 2024, 2023 and 2022, on a consolidated basis, are set out below:

(*in ₹ in lakhs, except for percentage*)

Country name	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of sale of products	Amount	% of sale of products	Amount	% of sale of products
United Kingdom	26,193.53	38.57%	23,188.32	39.46%	9,722.45	20.29%
United States of America	14,021.80	20.65%	8,301.83	14.13%	11,038.28	23.03%
India	13,675.25	20.14%	12,657.15	21.54%	9,745.90	20.34%

As on March 31, 2024, our Company has a dealer network of over 3,200 spread across India supported by more than 90 customers and 65 galleries operated by our Company's distributors across the country. We have five Company operated showrooms/ experience centre in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad.

The details of our segment wise revenues for the Fiscals 2024, 2023 and 2022, on a consolidated basis, are as follows:

(₹ in lakhs except for percentage)

Product Wise Revenue	**As of and for the financial year ended March 31, 2024**		**As of and for the financial year ended March 31, 2023**		**As of and for the financial year ended March 31, 2022**	
	Amount	**% of Total Sales of Products**	**Amount**	**% of Total Sales of Products**	**Amount**	**% of Total Sales of Products**
Quartz Sink	34,604.83	50.96%	31,539.54	53.67%	37,504.82	78.26%
Steel Sink	7,079.21	10.43%	7,010.59	11.93%	6,375.46	13.30%
Appliances & Others	7,999.95	11.78%	5,922.31	10.08%	4,040.74	8.44%
Surfaces/ Worktops	18,220.10	26.83%	14,289.65	24.32%	-	-
Total	**67,904.09**	**100.00%**	**58,762.09**	**100.00%**	**47,921.02**	**100.00%**

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including the sections titled "*Risk Factors*", "*Use of Proceeds*", "*Issue Procedure*", "*Placement*" and "*Description of the Equity Shares*" on pages 37, 62, 147, 159 and 174, respectively.

Issuer	Carysil Limited
Face Value	₹2 per Equity Share
Issue Size	Issue of up to 15,70,351 Equity Shares at a premium of ₹ 794.00, aggregating to ₹ 12,500 lakhs. A minimum of 10% of the Issue Size i.e. at least 1,57,036 Equity Shares, shall be made available for Allocation to Mutual Funds only and the balance 14,13,315 Equity Shares shall be made available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution authorising the Issue	March 20, 2024
Date of Shareholders' resolution authorising the Issue	May 02, 2024
Floor Price	₹837.89 per Equity Share The Floor Price for the Issue has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board dated March 20, 2024 and the approval accorded by the shareholders of the Company through their special resolution passed (through postal ballot) on May 02, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ 796.00 per Equity Share of our Company (including a premium of ₹ 794.00 per Equity Share)
Eligible investors	Eligible QIBs, to whom this Placement Document and the Application Form were delivered and who are eligible to bid and participate in the Issue. For further details, please see the sections titled "*Issue Procedure – Eligible Qualified Institutional Buyers*" and "*Transfer Restrictions and Purchaser Representations*" on pages 152 and 169, respectively. The list of Eligible QIBs to whom this Placement Document and the Application Form was delivered are determined by the BRLM in consultation with our Company, at their sole discretion.
Equity Shares issued and outstanding immediately prior to the Issue	26,845,255 Equity Shares of face value of ₹ 2 each, being fully paid-up
Equity Shares issued and outstanding immediately after the Issue	2,84,15,606 Equity Shares
Issue procedure	The Issue has been made only to Eligible QIBs in reliance on Sections 42 and 62 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For details, please see the section titled "*Issue Procedure*" on page 147.
Listing	Our Company has received in-principle approvals from BSE and NSE each dated July 01, 2024, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company shall make applications to each of the Stock Exchanges after Allotment to obtain final listing approval for the Equity Shares.

Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to each of the Stock Exchanges after credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final trading approval for the Equity Shares to be issued pursuant to this Issue.
Lock-up	See "*Placement - Lock-up*" on page 159 for a description of restrictions on our Company and Promoter in relation to Equity Shares.
Transferability restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For further details, please see "*Transfer Restrictions and Purchaser Representations*" on page 169.
Use of proceeds	The Gross Proceeds from the Issue aggregate to ₹ 12,500 lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ 330 lakhs, shall be approximately ₹ 12,170 lakhs. For additional information on the use of the net proceeds from the Issue, please see "*Use of Proceeds*" on page 62.
Risk factors	Please see "*Risk Factors*" on page 37 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Dividend	See "*Dividend*" and "*Description of the Equity Shares*" on pages 79 and 174, respectively.
Taxation	Please see "*Taxation*" on page 177.
Closing Date	The Allotment is expected to be made on or about July 03, 2024
Status, ranking and dividends	The Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held. For details, please see "*Dividend*" and "*Description of the Equity Shares*" on pages 79 and 174, respectively.
Voting rights	See "*Description of the Equity Shares – Voting Rights*" on page 175.
Security Codes for the Equity Shares	ISIN: INE482D01024 BSE code: 524091 NSE symbol: CARYSIL

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements prepared in accordance with the applicable accounting standards and the Companies Act, 2013, and presented in the "Financial Information*" on page 185. For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial* Information*", on pages* 81 and 185, *respectively.*

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Summary consolidated balance sheet as at March 31, 2024, 2023 and 2022

(*figures in the table below are in ₹ in lakhs*)

	Particulars	As on March 31		
		2024	**2023***	**2022****
A.	**ASSETS**			
	Non-Current Assets			
	Property, plant and equipment	23,493.65	20,973.03	16,833.61
	Right of use assets	1,626.05	1,320.30	1,226.54
	Capital work in progress	1,046.27	1,369.70	2,074.55
	Intangible assets	3,891.37	177.41	179.96
	Goodwill on consolidation	11,353.03	10,338.30	2,391.77
	Financial assets			
	Investments	-	-	-
	Loans	38.44	31.88	-
	Other financial assets	231.88	163.41	157.54
	Other non-current assets	1,356.15	1,556.87	1,711.35
		43,036.83	**35,930.90**	**24,575.32**
	Current Assets			
	Inventories	17,318.20	13,057.08	10,422.78
	Financial assets			
	Investments	-	-	
	Trade receivables	13,779.49	10,305.42	10,037.34
	Cash and cash equivalents	874.54	409.26	527.65
	Other bank balances	376.79	815.14	607.10
	Loans	39.24	31.59	15.15
	Other financial assets	816.97	1,038.49	1,309.79
	Current tax assets	5,144.32	4,888.67	4,593.08
	Other current assets	3,081.00	4,754.69	3,245.01
		41,430.55	**35,300.34**	**30,757.90**
	TOTAL ASSETS	**84,467.38**	**71,231.24**	**55,333.22**
B.	**EQUITY AND LIABILITIES**			

	Particulars	As on March 31		
		2024	2023*	2022**
	Equity			
	Equity share capital	536.32	535.44	533.90
	Other equity	34,862.90	29,802.64	24,835.56
	Non controlling interests	412.30	365.39	324.26
		35,811.52	**30,703.47**	**25,693.72**
	Liabilities			
	Non-current liabilities			
	Financial Liabilities			
	Borrowings	11,466.09	7,830.43	3,857.80
	Lease liabilities	960.13	1,051.65	981.76
	Other financial liabilities	-	-	-
	Provisions	151.35	88.98	75.51
	Deferred tax liabilities (net)	594.76	521.45	462.27
	Other non-current liabilities	-	-	-
		13,172.33	**9,492.51**	**5,377.34**
	Current liabilities			
	Financial Liabilities			
	Borrowings	18,355.35	14,255.43	9,867.97
	Lease liabilities	441.73	364.33	295.71
	Trade payables			
	Total outstanding dues of Micro and Small Enterprises	909.75	780.39	1,616.21
	Total outstanding dues of creditors other than Micro and Small Enterprises	7,770.47	7,062.65	6,324.32
	Other financial liabilities	566.00	404.78	322.64
	Other current liabilities	1,413.64	2,700.85	689.36
	Provisions	178.04	97.62	162.96
	Current tax liabilities	5,848.55	5,369.21	4,982.99
	Total Liabilities	**84,467.38**	**71,231.24**	**55,333.22**

The amounts are mentioned as per the comparative table of the consolidated balance sheet of the Company for the Fiscal 2024.
****The amounts are mentioned as per the comparative table of the consolidated balance sheet of the Company for the Fiscal 2023.***

Summary consolidated statement of profit and loss for the Fiscals 2024, 2023 and 2022

(*figures in the table below are in ₹ in lakhs*)

	Particulars	As on March 31		
		2024	2023	2022
A.	**REVENUE:**			
	Revenue from operations (net)	68,375.78	59,388.85	48,390.14
	Other income	534.47	159.01	1,006.69
	Total Income	**68,910.25**	**59,547.86**	**49,396.83**
B.	**EXPENSES:**			
	Cost of materials consumed	27,273.22	23,050.14	19,156.73
	Purchases of stock-in-trade	7,045.22	6,182.70	5,564.27
	Changes in inventories	(2,831.76)	1,015.55	(3,775.23)
	Employee benefits expenses	6,025.91	4,485.99	3,358.86
	Finance costs	2,085.21	1,452.45	958.64
	Depreciation and amortisation expenses	3,244.87	2,635.64	1,772.32
	Other expenses	17,989.70	13,915.71	13,753.19
	Total Expenses	**60,832.37**	**52,738.18**	**40,788.78**
	Profit before exceptional items and tax	**8,077.88**	**6,809.68**	**8,608.05**
	Exceptional items	**-**	-	-
	Profit before tax	**8,077.88**	**6,809.68**	**8,608.05**
	Tax expenses			
	Current tax	2,122.39	1,546.69	2,034.15
	Earlier years' tax	37.13	(80.62)	(14.00)

	Particulars	As on March 31		
		2024	2023	2022
	Deferred tax	82.06	60.56	62.25
	Profit for the year	**5,836.30**	**5,283.05**	**6,525.65**
	Other Comprehensive income			
	Items that will not be reclassified to profit or loss			
	a. Remeasurements of defined benefit plans	(34.26)	(5.47)	9.32
	b. Tax impacts on above	8.76	1.38	(2.35)
	Items that may be reclassified to profit or loss			
	c. Exchange differences on foreign currency translation	(238.64)	(145.80)	(3.03)
	Other comprehensive income for the year	(264.14)	(149.89)	3.94
	Total Comprehensive Income for the year	**5,572.16**	**5,133.16**	**6,529.59**
	Profit for the year attributable to:			
	Owners of the Parent	5,788.84	5,241.88	6,476.18
	Non-controlling interests	47.46	41.17	49.47
		5,836.30	**5,283.05**	**6,525.65**
	Other Comprehensive Income for the year attributable to:			
	Owners of the Parent	(263.59)	(149.85)	3.91
	Non-controlling interests	(0.55)	(0.04)	0.03
		(264.14)	**(149.89)**	**3.94**
	Total Comprehensive Income for the year attributable to:			
	Owners of the Parent	5,525.25	5,092.03	6,480.09
	Non-controlling interests	46.91	41.13	49.50
		5,572.16	**5,133.16**	**6,529.59**

	Particulars	As on March 31		
		2024	**2023**	**2022**
	Basic earning per share	**21.59**	**19.59**	**24.26**
	Diluted earning per share	**21.55**	**19.52**	**24.13**
	Face value per share	**2.00**	**2.00**	**2.00**

Summary consolidated statement of cash flows for Fiscals 2024, 2023 and 2022

(*figures in the table below are in ₹ in lakhs*)

	Particulars	As on March 31		
		2024	**2023**	**2022**
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit for the year	**5,836.30**	**5,283.05**	**6,525.65**
	Adjustments for -			
	Depreciation and amortization	3,244.87	2,635.64	1,772.32
	Income tax expenses	2,241.57	1,526.63	2,082.40
	Loss / (profit) on sale of property, plant & equipment	(15.26)	(8.86)	(54.44)
	Employee stock options	45.81	150.38	369.82
	Impairment loss recognised on trade receivables and others	508.69	237.48	44.99
	Exchange rate adjustments (net)	(238.64)	(145.80)	(3.03)
	Interest income	(44.43)	(71.79)	(62.84)
	Finance cost	2,085.21	1,452.45	958.64
	Operating profit before working capital changes	7,827.82	5,776.13	5,107.86
	Adjustments for -			
	Trade and other receivables	(3,405.55)	(495.27)	(716.26)
	Other current and non-current assets	1,874.41	(1,355.20)	(2,616.58)
	Inventories	(4,261.12)	(2,634.30)	(4,967.68)
	Provisions	108.53	(57.34)	76.21
	Other current and non-current liabilities	(1,287.21)	2,011.49	(96.26)
	Trade and other payables	1,026.34	(36.94)	3,757.96
	Cash generated from operations	(5,944.60)	(2,567.56)	(4,562.62)
	Income tax paid	(1,935.82)	(1,375.44)	(1,906.88)
	NET CASH FROM OPERATING ACTIVITIES	**5,783.71**	**7,116.18**	**5,164.01**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant & equipment	(9,312.35)	(5,787.85)	(7,722.02)
	Purchase of investments	(1,014.73)	(7,946.53)	
	Sale of property, plant & equipment	124.90	16.14	408.56
	Interest received	44.43	71.79	62.84
	NET CASH USED IN INVESTING ACTIVITIES	**(10,157.75)**	**(13,646.45)**	**(7,250.62)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from borrowings	7,735.58	8,360.10	3,597.06
	Proceeds from issue of share capital	26.39	46.24	-
	Changes in non-controlling interest	-	-	37.52
	Payment of lease liabilities	(273.17)	(242.33)	(197.95)
	Dividend paid to owner of the Company	(549.52)	(313.85)	(641.63)
	Interest paid	(2,099.95)	(1,438.28)	(954.27)

	Particulars	As on March 31		
		2024	2023	2022
	NET CASH USED IN FINANCING ACTIVITIES	**4,839.33**	**6,411.88**	**1,840.73**
	Net Increase in Cash and Cash Equivalents	**465.29**	**(118.39)**	**(245.88)**
	Cash and cash equivalents as at beginning of the year	**409.26**	**527.65**	**773.53**
	Cash and cash equivalents as at end of the year	**874.54**	**409.26**	**527.65**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 as per the requirements under Indian Accounting Standard *(Ind AS) 24– Related Party Disclosures,* please see "*Fiscal 2024 Audited Consolidated Financial Statements- Note 36- Related party transactions ; Fiscal 2023 Audited Consolidated Financial Statements - Note 36- Related party transactions; Fiscal 2022 Audited Consolidated Financial Statements - Note 36- Related party transactions* ", on pages F-47, F-101 and F-153, respectively.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. If any of the following risks, or other risks, or a combination thereof, that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, prospects, cash flows and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence the financial and other related implications of such risks have not been disclosed in the applicable risk factors. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This section should be read together with "Management's Discussion and Analysis of Financial Conditions and Results of Operations", "Industry Overview", "Our Business" and "Financial Information" on pages 81, 100, 125 and 185 of this Placement Document, respectively, together with all other financial information contained in this Placement Document. Unless otherwise stated, or the context requires otherwise, the financial information used in this section is derived from the Financial Information.

This Placement Document also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. Please see "Forward-Looking Statements" on page 13 of this Placement Document.

INTERNAL RISK FACTORS

1. ***We may experience difficulties in geographies in which our sales and revenues are concentrated and in untapped markets where we intend to increase our presence.***

As on March 31, 2024, our sales and revenues are geographically concentrated in the United States, the United Kingdom, and India. The details of our country wise revenue from operations, on consolidated basis, for Fiscals 2024, 2023 and 2022, are set out below:

(*in ₹ in lakhs except for percentage*)

Country name	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of sale of products	Amount	% of sale of products	Amount	% of sale of products
United Kingdom	26,193.53	38.57%	23,188.32	39.46%	9,722.45	20.29%
United States of America	14,021.80	20.65%	8,301.83	14.13%	11,038.28	23.03%
India	13,675.25	20.14%	12,657.15	21.54%	9,745.90	20.34%

Our business is, therefore, significantly dependent on the general economic and market conditions in the abovementioned locations in which we operate, and respective state and local government policies relating to the kitchen and bathroom industry. Should there be a regional slowdown in our supply of products to the abovementioned regions or economic activity or any adverse regulatory development in these areas or any developments that make the sale of our products economically less profitable, the growth of our business, financial condition, cash flows and results of operations may suffer.

While our primary focus is to cater to our customers in the abovementioned locations, we continue to evaluate and pursue attractive growth opportunities to cater to our customers in other parts of India and other countries. Operating in locations outside where we have an established track record, may present additional difficulties and may strain our managerial, operational, financial and other resources, which may result in an adverse effect on our business, results of operations and financial condition.

2. ***We may be subject to liability claims or termination of contracts with our customers for failure to timely supply the products or for supply of defective products, which may adversely affect our business, results of operations, financial condition and reputation.***

We could incur losses under our purchase orders and contracts with our customers or be subjected to disputes or customer's termination of contracts, as a result of delays in delivery or failures to meet contract specifications which may have an adverse effect on our business, results of operations and financial condition. Further, our Company could be required to indemnify some of the customers against liabilities and damages arising on account of defect in the products supplied by our Company to such customers, claims made by third parties in relation to such products or delay in delivery of products.

3. ***There is no guarantee that we will accurately assess the creditworthiness of our customers. Failure by our customers to meet our payment schedules will result in losses, in turn having an adverse effect on our business, results of operations and prospects.***

There is no guarantee that we will accurately assess the creditworthiness of our customers and hence may be exposed to customer credit risk in the usual course of our business. Inability of our customers to meet our payment schedules or any delay or non-receipt of payment from such customers may result in loss and lead to *inter alia* (i) an increase in our working capital cycle, (ii) accelerated provisioning, and (iii) write off. Additionally, non-receipt of payment from our customers may also require us to initiate claims for recoveries resulting in costly litigation, diverting management's attention and resources and thereby subjecting us to significant liabilities.

Due to various factors, including certain extraneous factors such as macroeconomic conditions at a global level, such as potential credit crisis in the global financial system, may also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions may cause our customers to delay payments, request modifications of their payment terms, or default on their payment obligations to us, all of which may increase our receivables. In addition, any defaults or delays in payments by major customers or insolvency or financial distress of any major customer, may have an adverse effect on our business, results of operations and cash flows. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect payments from our customers. A significant delay in or non-receipt of large payments or non-performance by our customers of their payment related obligations, could materially and adversely affect our cash flows, results of operations and financial condition.

The details of our bad debts, provisions for doubtful advances and other written-offs, for Fiscals 2024, 2023 and 2022, on consolidated basis, are set out below:

(*in ₹ in lakhs except for percentages*)

Particulars	**Fiscal 2022**		**Fiscal 2023**		**Fiscal 2024**	
Bad debts, provisions for doubtful advances and other written-offs	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
	44.99	0.09%	237.48	0.40%	508.69	0.74%

4. ***We are heavily dependent on moulds, equipment and machines at our manufacturing facilities for our operations. Obsolescence, destruction, theft, slowdowns, shutdowns or breakdowns of our manufacturing facilities (including the moulds, equipment and machines) or failures to repair or maintain the same may adversely affect our business, cash flows, results of operations and financial condition. Our success and financial condition will depend on our ability to maximise our manufacturing capacities***

Our Company and its subsidiary Carysil Steel Limited operates four manufacturing units in Bhavnagar, Gujarat, India. Our success and our financial condition are predicated on our ability to maximise our manufacturing capacities. For further details relating to the capacity utilisation of our manufacturing units in Bhavnagar, Gujarat, please see, "*Our Business-Capacity and Capacity Utilisation*" on page 130.

To maintain our manufacturing capacity, we need to undertake thorough and periodic repairs and maintenance of our manufacturing facilities and the equipment, moulds and machines used for the manufacture of our products. However, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our equipment, moulds and machines, destruction, theft or major equipment breakdowns or failures or delays to repair or maintain our manufacturing facilities, which may result in their unavailability, manufacture and supply delays, cost overruns and even defaults under our contracts.

Obsolescence, destruction, theft or breakdowns of our major equipment, moulds or machines may significantly increase our purchase cost and the depreciation of our equipment, moulds or machines, as the case may be, as well as change the way our management estimates the useful life of our equipment, moulds or machines, as the case may be. In such cases, we may not be able to acquire new equipment, mould or machine, as the case may be, or spare parts or repair the damaged equipment, mould or machine in time, particularly where our equipment, mould or machine, as the case may be, is not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment, machine, mould or parts, as the case may be, may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation or transportation difficulties. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by us and may have an adverse effect on our business, cash flows, results of operations and financial condition.

The shutdown of our manufacturing facilities (for any reason whatsoever) may adversely affect our business, cash flows, results of operations and financial condition.

5. ***We may be adversely affected if we fail to keep pace with technical and design developments in the kitchen sinks industry.***

Our experience in the past indicates that customers' demand for modern kitchen sink is consistently evolving. We are undertaking R&D efforts on a continuous basis to meet our customers' needs. To meet our customers' needs, we must regularly update and develop new designs for our products in a cost-effective manner. In addition, rapid and frequent market demand changes can often render existing designs and products obsolete, requiring substantial new capital expenditures. Our failure to anticipate or to respond adequately to the changing market demands and/or customer requirements may adversely affect our business and financial results.

We depend on the successful introduction of new models to create innovative designs and products and achieve operational efficiencies. Our failure to successfully adopt innovative designs in a cost effective and a timely manner could lead to us being less competitive in terms of our prices or quality of products we sell. The development and implementation of new designs and products entails significant technical and business risks. There can be no assurance that we will continuously implement/adopt new designs effectively.

Our growth prospect may suffer if we fail to anticipate and develop new products or designs, increase customer base and manufacturing capacities and to enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus.

6. ***We face certain risks relating to our reliance on our suppliers for supply of certain raw materials. Our Company does not have long-term agreements with suppliers of our raw materials. A significant increase in the cost of, or a shortfall in the availability, or deterioration in the quality, of such raw materials and services could have an adverse effect on our business and results of operations.***

We are dependent on suppliers for supply of certain raw materials such as coated silica (Quartz), Methyl Metha Acrylate, Polymethyl Methacrylate, trim and pigment, steel sheets and kitchen slabs. Discontinuation of production/supply by these suppliers or a failure to adhere to the delivery schedule or the required quality or quantity and absence or lack of alternatives in market may hamper our manufacturing and supply schedules and therefore affect our business and results of operations.

The price and availability of such raw materials is subject to supply side disruptions and is dependent on several factors beyond our control, including overall economic conditions, taxes and duties, the prevailing Indian regulatory environment, foreign exchange rate, production levels and competition. Further, we do not have long-term arrangements for sourcing raw materials from our suppliers. The absence of long-term contracts makes us susceptible *inter alia* to short-term supply challenges and exposes us to volatility in the prices of the raw materials. Our dependence on suppliers of such raw materials may therefore adversely affect the availability of key materials at reasonable prices thus affecting our margins and may have an adverse effect on our business, cash flows, results of operations and financial condition.

Moreover, we face the risk that our suppliers may not perform their obligations as agreed and within the quality stipulations we provide or are subject to, and as a result we may incur additional costs, liabilities and/or claims from third parties.

Additionally, our suppliers depend on various forms of transport to procure our raw materials. This makes them highly dependent on various intermediaries such as transportation companies, container freight station operators and shipping lines. Factors like disruption of transportation services due to weather-related problems, strikes, accidents etc., inadequacies in the transportation infrastructure, or any such other reasons may impair their ability to procure our raw materials in a timely manner and provide the same to us. Therefore, deficiencies in quality, non-performance of obligations or delays by suppliers due to any reason, may lead to consequent delays in our manufacturing activities or supply of our products or permanent termination of contracts by our clients, which may have an adverse effect on our business and financial condition.

We cannot assure you that strong demand, capacity limitations or other problems experienced by our suppliers will not result in shortages or delays in their supply of raw materials. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future. Any change in the supplying pattern of our raw materials can adversely affect our business and cash flows.

Any failure to source raw materials on commercially viable terms or any failure to pass on increased costs of raw materials used for the manufacture of products, to our customers in future, may adversely affect our business, profitability, cash flows and results of operations.

7. ***Our business is manpower intensive. Our Company is dependent on the adequate supply and availability of contract labourers from independent contractors at our Company' manufacturing facilities in Bhavnagar. Unavailability or shortage of such supply of contract labour or non-compliance with the regulations governing contractual labour may have an adverse effect on our business, profitability and results of operations.***

Our Company's pool of employees, as on March 31, 2024, consisted of 431 employees (on a standalone basis) who are part of *inter alia* sales and marketing, quality control, operations, IT, accounts and finance, human resources and legal and compliances.

Our employee benefit expense for the Fiscals 2024, 2023 and 2022, on a consolidated basis, was ₹ 6,025.91 lakhs, ₹ 4,485.99 lakhs and ₹ 3,358.86 lakhs, respectively, constituting approximately 9.91%, 8.51% and 8.23%, respectively, of our Company's total expense.

Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Further, a shortage in the labour pool or general inflationary pressures will also increase our labour costs. A significant long-term increase in our employee benefit expense could reduce our profitability.

Our business is manpower intensive and and we employ a combination of in-house labour and contract labourers for the purposes of lifting and shifting, loading and unloading, security and housekeeping services and for other miscellaneous work in the manufacturing process. We enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments.

As of March 31, 2024, our Company had approximately 819 contract labourers from independent contractors who are engaged at our Company's manufacturing facilities in Bhavnagar. The number of contract labourers employed by us varies from time to time based on the nature and extent of work undertaken by us and the availability of contract labour. We may not be able to secure the required number of contract labourers required for the timely completion of manufacturing and other activities conducted at our Company's manufacturing facilities in Bhavnagar for a variety of reasons including possibility of disputes with independent contractors, strikes, less competitive rates to the independent contractors as compared to our competitors, changes in labour regulations, and infectious diseases (such as epidemic or pandemic) that may limit availability of contract labour.

Although we do not engage these labourers directly, we are subject to laws and regulations relating to employee welfare and benefits and it is possible under the Contract Labour (Regulation and Abolition) Act, 1970, and the judicial interpretation of the provisions thereof, that we may be held responsible for minimum wage, wage payments, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by the state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations. We may also be responsible to make compensation for accidents and/or death at the work site in the course of employment, to labourers engaged by such contractors in case the contractors' default on their wage and/or compensation payments. Further under the laws of the states in which we operate, we are also required to make monetary contributions to regulatory authorities towards insurance and provident fund requirements for contract labourers (which are subsequently set off against dues to the independent contractors) and obtain registrations in connection with the use of contract labour.

Further, in the event of failure by our independent contractor to make payments to contract labourers employed at our Company's manufacturing facilities in Bhavnagar, we may be liable under applicable labour legislations to make such payments to contract labourers or regulatory authorities. An order to this effect from a court or any other regulatory authority may require us to incur additional fixed costs which in turn may adversely affect our profitability. If independent contractors do not fulfil their obligations in a timely and satisfactory manner, or if we are unable to set off payments made towards statutory requirements against dues to independent contractors, our costs may increase, and we may be subject to legal proceedings under various welfare labour legislations applicable to such contract labourers. While we have not experienced any such instances in the past, we cannot assure you that we will not be subject to the aforementioned risks and uncertainties in the future.

Further, while we consider our relationship with our current employees to be good, we cannot assure you that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with independent contractors, contract labourers, our other employees or labourers deployed at our facilities and places of business. In case of these disruptions, it may be difficult for us to find a replacement of employee or labour, as the case may be, without significant delay, thereby impacting our ability to complete or meet customer obligations in a satisfactory and timely manner. These events may in turn have a negative effect on our business, profitability and results of operations.

8. ***A failure in obtaining additional financing, including working capital requirements, at all or on terms favourable to us may have an adverse effect on our results of operations and financial condition.***

The nature of our business requires significant amounts towards working capital requirements. Our operations, liquidity and profitability are, in large part, dependent upon our timely access to capital and costs associated with raising capital. Our working capital requirement is met through a combination of internal accruals, short term borrowings and proceeds from issuance of shares. Further, substantial amounts of our working capital may get temporarily locked-up in inventory or dues owed to us by our debtors, which may take significant amounts of time to become available for use again. As at March 31, 2024, the aggregate amounts outstanding under the fund based and non-fund based working capital facilities of our Company, on a consolidated basis, are ₹ 14,255.65 lakhs and ₹ 317.82 lakhs, respectively.

We cannot assure you that we will be able to continue to access funds, including by way of short-term borrowings, whether on acceptable terms or at all, to continue to fund our borrowings or that our receivables will continue to be sufficient to cover our working capital requirements. We also cannot assure you that we will be able to improve or reduce our working capital cycle or that such working capital cycle will not increase. Continued increase in our working capital requirements without adequate availability of financing may have an adverse effect on our cash flows, financial condition and results of operations. Further, our working capital requirements are based on management estimates, which are in turn subject to certain assumptions. Any change or cost escalation can significantly increase our costs of borrowings.

9. ***Our export proceeds are denominated in GBP, EURO and U.S. Dollars, for sales in the other jurisdictions where we sell our products. We also source our raw materials from multiple countries including China, Italy and Turkey. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations.***

Our revenue from outside India constituted 79.66%, 78.46%, 79.86% of our sale of products from operations in Fiscals 2022, 2023 and 2024 respectively. Our export proceeds are denominated in GBP, EURO and U.S. Dollars, for sales in the other jurisdictions where we sell our products. Further, we source our raw materials from multiple countries including China, Italy and Turkey. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials. We are exposed to exchange rate risk primarily due to payables in respect of our imported raw material and from receivables in respect of our exports, which are mainly denominated in foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations. Any gains or losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognized in the statement of profit and loss.

10. Our manufacturing operations are subject to safety related risks that may expose us to liabilities, loss in revenues and increased expenses.

While the health and safety of human capital such as customers, employees, workers, contractors, etc. is of paramount importance for the Company, our manufacturing operations and processes at our manufacturing facilities are subject to safety related risks such as risk of fires, mechanical or equipment failure, work accidents, that may cause injury and loss of life or property.

While we take appropriate health and safety measures at our manufacturing facilities, there are always unanticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions and other reasons beyond our control, which may adversely affect the health and safety of those present at such manufacturing facilities.

The process of manufacture of our Company's final products involves generation, handling and disposal of hazardous and plastic waste and e-waste. While the Company adheres to the norms relating to such generation, handling and disposal and completes ISO audits, there is a risk of the health, safety and/or environment being adversely affected on account of the Company's generation, handling and disposal of these wastes. We therefore cannot assure you that in the event of the health, safety and/or environment being adversely affected in the course of our manufacturing process, on account of reasons beyond our control, we will be able to strictly comply with all health, safety and environment protection requirements at all times.

While we believe that the insurance coverage which we maintain may be reasonably adequate to cover the general risks associated with the operation of our business, we cannot assure you that each claim under the insurance policies maintained by us will be honoured fully or promptly, or that we have taken out sufficient insurance to cover all our potential losses. In addition, our insurance coverage expires from time to time. We cannot assure you that renewal of our insurance coverage will be granted in a timely manner, at acceptable cost or at all.

If the risks mentioned above materialise, they can cause personal injury and loss of life, catastrophic damage or destruction of property and equipment as well as environmental damage, which may result in a suspension of operations and the imposition of civil or criminal liabilities which may disrupt our business operations. Although we have obtained various insurance policies covering certain risks, we may face claims and litigation alleging that we were negligent, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to risks at our sites.

Thus, if these risks materialise or such claims and lawsuits, individually or in the aggregate, are resolved against us, and our insurance policies of covering these risks through contractual limitations of liability, indemnities and insurance are not effective, then our business, results of operations and financial condition may be adversely affected.

11. The Company has certain registered intellectual property. Failure or delay in maintaining and renewing the same and any infringement claims in the future may impact our business, financial condition and results of operations. The Company has also filed applications seeking registration of certain trademarks, designs and patents. We cannot assure you that the said intellectual property rights will be registered in our name, and we will continue to enjoy uninterrupted use of such intellectual property.

Our Company currently owns:

(i) Sixty five registered trademarks in India and globally, of our Company's business name and logo, under various classes;

(ii) Twenty four registered designs in India, registered under the Designs Act, 2000, of our Company's designs of kitchen sinks, under various classes; and
(iii) One registered patent under the Patents Act 1970 in relation to resin composite and articles prepared therefrom.

Further, our material Subsidiary Carysil UK Limited currently owns one registered trademark in the United Kingdom.

Any failure to renew the registration of the aforementioned intellectual property, may impact our right to use them in the future. Further, there can be no assurance that third parties may not infringe or copy our registered intellectual property. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations.

The Company has also filed applications seeking registration of fifteen trademarks, four designs and two patents. In the absence of registration of the said intellectual property rights, the use of such intellectual property rights by third parties could adversely affect our business. We cannot assure you that the said intellectual property rights will be registered in our name, and we will continue to enjoy uninterrupted use of such intellectual property.

Further, we, in the ordinary course of our business use a variety of designs and technologies. We may be subject to claims of infringement of intellectual property rights, for usage of such designs or technologies and mechanisms which could adversely affect our business.

We also face the risk of our designs getting copied and product being sold at lower prices in the market resulting in us losing out on premium pricing. In the event that the steps we may take, and the protections afforded by law do not adequately safeguard our proprietary rights, we could suffer losses in revenues and profits due to unlawful competing sales of products, which may have an adverse effect on our business, prospects, results of operations and financial condition.

Our brand image is integral to our success and if we are unable to effectively maintain, promote and enhance our brand, our business and reputation may be adversely affected.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights. We may therefore be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license or modify our existing design to a new non-infringing design. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. While we have not been subject to claims or actions for unlawful use of intellectual property in the Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that we will not be involved in such disputes in the future. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed any of the intellectual property rights. If we cannot license or develop intellectual property for any infringing aspect of our business, we would be forced to limit or stop sales of our offerings and may be unable to compete effectively.

12. ***We are completely reliant on third-party logistics service providers for transport of finished products.***

Our finished products are transported from our manufacturing units to distribution points by appropriate means of transport provided by the third-party logistics service providers. The logistics service providers are, therefore, integral to our Company's business operations. While we have over the years engaged the services of various logistics service providers for our business operations, we do not have, and we do not propose to enter into, contractual arrangements with such third-party logistics providers. While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain the services of other service providers, our business operations could be adversely impacted, at times, significantly.

13. ***We are subject to strict quality requirements and any failure on our part to comply with quality standards may lead to cancellation of orders or warranty claims.***

Our business depends on the adequate supply of quality products at reasonable prices on a timely basis. We may be subject to financial and reputational risks due to product quality and liability issues which may have an adverse effect on our business, financial condition and results of our operations.

We rely on a limited number of suppliers for raw materials and the quality of raw materials delivered by suppliers engaged by us has a direct impact on the overall quality of our products supplied by us to our customers.

Although we ensure strict quality and process control measures for suppliers, if there is a deficiency in quality of raw materials delivered to us then we may not be able to meet strict quality standards required for our products and we may be subject to potential claims against us by our customers. Our failure to achieve or maintain compliance with these requirements or quality standards may subject us to cancellation of contracts, loss of business, warning letters, fines or penalties, which may harm our business, results of operations and financial condition.

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and TUV certifications for development, manufacture and supply of composite quartz kitchen sinks, wash basin and tiles. Our Company's plastic sinks have also been certified by IAMPO Research and Testing, Inc. Our subsidiary, Carysil Steel Limited has obtained ISO 45001:2018, ISO 14001: 2015 and ISO 9001:2015 certifications for the manufacture of its stainless steel kitchen sinks.

The loss of such independent certification in the future may lead to loss of our customers which may have an adverse effect on our business, results of operations and financial condition.

14. ***Our Company may face a risk on account of not meeting its export obligations. Our Company's failure to fulfil these export obligations in full may make it liable to pay duty proportionate to unfulfilled obligation along with the interest.***

Our Company currently enjoys certain fiscal benefits on account of policies of the GoI, including concessions under the Export Promotion Capital Goods Scheme (the "**EPCG Scheme**") of the GoI. The EPCG scheme allows import at zero custom duty and requires the importer to export equivalent to six times of duty saved on capital goods. Such equivalent amount is required to be fulfilled within six years from the date of issue of authorization. As per the licensing requirement under the EPCG Scheme, our Company is required to export goods of a definite amount, failing which we will have to make payment to the Government of India equivalent to the duty saved by us along with the interest. As on the date of the Placement Document, our Company's export obligation under EPCG Scheme was ₹ 150.47 lakhs. Though in the past we have not been penalised for non-fulfilment of the export obligations under the EPCG Scheme; there can be no assurance that we would be able to meet the export obligations in the future. In case we fail to fulfil these export obligations in full; we will have to pay duty proportionate to unfulfilled obligation along with the interest.

15. ***If there are delays or cost overruns related to the purchase of the machines, equipment and moulds proposed to be procured by the Company for its existing and/or new manufacturing facility(ies), the same could have an adverse effect on our financial condition, results of operations and growth prospects.***

Our Company is in the process of procuring machines, equipment and moulds for its existing and/or new manufacturing facility(ies). For further details, see "*Use of Proceeds*" at page 62. Some of the machines, equipment and moulds to be purchased by the Company may be required to be shipped from various regions. Any delay in the transportation of such assets or damage to or defect in the assets acquired by the Company may further result in the time and cost overrun in commissioning of the new manufacturing facility(ies) and/or the increase of capacity of the existing manufacturing facilities of the Company.

In case of delay on the part of the suppliers of supplying the plant, machines, equipment and moulds proposed to be procured by the Company or a defect in the assets supplied by such suppliers, we may not be able to identify or procure suitable replacement of such supplier or assets, as the case may be, in a timely manner. If the performance of these suppliers is inadequate or if the assets supplied by such suppliers are defective, this may result in incremental cost and time overruns.

The estimated costs for procurement of the plant, machines, equipment and moulds by the Company is based on the management's estimates and current conditions which are subject to change, owing to prospective changes in external circumstances, costs and other financial conditions. If the actual capital expenditures on procurement of the machines, equipment and moulds by the Company exceed its budgets, we may not be able to achieve the intended economic benefits of such purchase, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

16. ***The fund requirement and deployment mentioned in the Use of Proceeds have not been appraised by any bank or financial institution.***

We intend to use the net proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purposes of (i) procurement and installation of the machines, equipment and moulds required by the Company for its existing and/or new manufacturing facility(ies); (ii) funding the Company's working capital requirements; and (iii) general corporate purposes. For further details, see "*Use of Proceeds*" at page 62. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

17. ***We are required to obtain or renew licenses and approvals for our operations and any failure to obtain or renew licenses and approvals by us may adversely affect our business, results of operations and financial condition***

We require certain statutory and regulatory permits, licenses and approvals to operate our business and require renewing some of them on periodic basis and need to apply for some of them, including for expansion. We will be required to renew such permits, licenses and approvals, and obtain new permits, licenses and approvals in order to carry on current business operations and for any proposed new operations or expansions.

While we believe that we will be able to renew or obtain such permits, licenses and approvals as and when required, there can be no assurance that the relevant authorities will issue or renew any of such permits, licenses or approvals in the timeframe anticipated by it or at all. Such non issuance or non-renewal or non – availability may result in the interruption of our business operations and may have an adverse effect on our results of operations and any present or future expansions. Further, in the event any of such approvals or licenses or any renewals thereof are refused to be granted to us, we may be required to temporarily discontinue our relevant operations for want of such approvals or licenses.

18. ***Certain of our immovable properties are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and results of operations. Further, some of our lease/leave and license agreements may not be adequately stamped.***

The Company is using the Registered Office, its four warehouses/godowns and five showrooms in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad on lease/leave and license basis. With respect to our Registered Office, we have entered into a lease deed with Nitin Uttamrao Kote, for a period of five years commencing from January 03, 2022. The leases/leave and license for our warehouses/godowns and showrooms in India typically range from one to ten years.

If we are unable to renew certain or all of these leases/leave and license agreements on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future. In the event any of the lessors / licensors terminate or do not renew the lease / license on commercially acceptable terms, we shall be required to vacate such premises. Further, certain of the premises used by our Subsidiaries are also leased. Any failure to renew our leases or to find alternative property may have an adverse effect on our operations and profitability.

Some of our lease / leave and license agreements have certain irregularities such as inadequate stamping and/or non-registration of deeds and agreements. In India, the effect of inadequate stamping and non-registration is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping and non-registration. In the event of any dispute arising out of such unstamped or inadequately stamped and/or unregistered lease/leave and license agreements, we may not be able to effectively enforce our leasehold rights/license arising out of such agreements which may have an adverse effect on the business and results of operations of our Company.

19. ***Our future success will depend on our ability to effectively implement our business and growth strategies failing which our results of operations may be adversely affected.***

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. Although, we do our best to implement our strategies efficiently and effectively but we cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. Further, our business is to a large extent driven by our internal systems and control mechanism. Therefore, our continued growth is intrinsically linked to our being able to maintain adequate internal systems, processes and controls and our failure to maintain such systems could be an impediment to our growth.

In addition, we believe that our ability to implement our business and growth strategies will also depend on our ability to expand in global markets. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

20. ***We face risks and uncertainties in our future acquisitions or investments***

We have, by making certain recent acquisitions in the UK and the US, taken steps to grow inorganically. The Company's Subsidiary Carsyil UK Limited (formerly known as Acrysil UK Limited), in April 2023, acquired 70% of shares in Carysil Brassware Limited (formerly known as The Tap Factory Limited), incorporated in England, Wales with an option to buy the remaining 30% of the issued shares of Carysil Brassware Limited. Carysil UK Limited in April 2022, acquired 100% of the equity shares of Tickford Orange Limited, the UK parent company of Carysil Surfaces Limited (formerly known as Sylmar Technology Limited). Further, our wholly owned subsidiary in the US, Acrysil USA, Inc., recently in October 2023 acquired 100% membership interest in United Granite, LLC.

While we have, by undertaking the abovementioned acquisitions, strategically expanded into respective markets where our presence was previously limited, we cannot assure you that we will be able to identify suitable joint venture partners, acquisition targets or make future strategic investment at acceptable cost and on commercially reasonable terms, obtain the finance, if required, to complete and support such acquisitions or investments, integrate such businesses or investments, or that any business acquired or the investment made will be profitable. The return of capital deployed on such acquisitions will depend on the price of the acquisitions and speed of integration of acquired business employees and assets. Any future acquisitions may result in integration issues and employee retention problems; we face numerous risks and uncertainties combining, transferring, separating or integrating the relevant businesses and systems, including the need to combine or separate accounting and data processing systems and management controls and to integrate relationships with customers, trading counterparties and business partners. We may not be able to realise the benefits we might anticipate from any such acquisitions. This may in turn affect our growth.

21. ***Failure or disruption of our IT systems may adversely affect our business, financial condition, results of operations and prospects.***

Our operations rely significantly upon the use and deployments of technology initiatives on a cost effective and timely basis with constant introduction of new and enhanced solutions. We have already deployed and enabled use of various information technology ("**IT**") solutions to cover certain areas of our operations and accounting. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not yield intended results. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively, and we may also fail to adapt our technology platforms to reflect our increased size and scale, requirements or emerging trends and industry standards. These technology systems are potentially vulnerable to damage or interruption from a variety of sources, which may result in an adverse effect on our operations. Disruption or failure of our IT systems may have an adverse effect on our operations. A large-scale IT malfunction may disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). In addition, it is possible that a malfunction of our data system security measures may enable unauthorised persons to access sensitive business data, including information relating to our business strategy or those of our suppliers or customers. Such malfunction or disruptions may cause economic losses for which we may be held liable. Any of these developments, alone or in combination, may have an adverse effect on our business, results of operations and financial condition.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently. If we do not effectively manage our growth and appropriately expand and upgrade or downsize and scale back our systems and platforms, as appropriate, in a timely manner and at a reasonable cost, we may lose market opportunities, increase our costs and lead to us being less competitive in terms of our prices or quality of services we render. Any delays in completing or an inability to successfully complete these technology initiatives, or an inability to achieve the anticipated efficiencies, may affect our result of operations and financial condition.

If we do not effectively manage our growth and appropriately expand and upgrade our systems and platforms, as appropriate, in a timely manner and at a reasonable cost or any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as management of our creditors, debtors, payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

22. Our Company is unable to trace certain documents pertaining to historical secretarial information.

As our Company has been in existence since 1987, our Company is unable to trace certain filings and secretarial records pertaining to historical secretarial information, these include (a) returns of allotment filed by the Company with the RoC in relation to certain issuances of shares and certain other filings undertaken by the Company with the RoC; (b) resolutions passed by the shareholders of the Company for approving the issuance of certain shares; (c) approvals obtained by the Company from the RBI and other governmental authorities for certain issuances and transfer of securities of the Company; and (d) copy of trading and in-principle approvals obtained by the Company from the Stock Exchanges for certain issuances of shares.

In relation to the RoC filings that the Company is unable to trace, the Company has, through a practicing company secretary Dr. CS Ronak Jhuthawat (M. No. 9738 CP No. 12094), conducted a physical inspection at the office of the Registrar of Companies, Mumbai. Dr. CS Ronak Jhuthawat has issued a certificate dated June 05, 2024, *inter alia* certifying that the said filings were not available with RoC during the physical inspection.

While no legal proceedings or regulatory action has been initiated against our Company in connection with such untraceable secretarial records and other corporate records and documents as on the date of this Placement Document, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company or that fines will be imposed by the regulatory authorities on our Company in this respect in the future.

23. Our Company is subject to restrictive covenants under its financing agreements that may limit our Company's financial and operational flexibility, and our Company's future results of operations and financial condition may be adversely affected if our Company fails to comply with these covenants.

As of March 31, 2024, the aggregate indebtedness outstanding was ₹ 29,821.44 lakhs, on a consolidated basis. Most of our Company's financing arrangements are secured by current assets, movable fixed assets, book debts, plant and machinery, fixed deposit, shares held by our Company in Carysil UK Limited, immovable properties, vehicles of the Company. Many of our Company's financing agreements also include various conditions and covenants that require our Company to obtain lender consents and give intimations to lenders, as the case may be, prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under the Company's financing documents relate to obtaining prior consent of the lenders for, among others:

(a) Creation of fresh charge on the assets of the Company;
(b) Effecting change in equity, management or operating structure of the Company;
(c) Availing further loans from banks or financial institutions;

(d) Opening a current account of the Company;
(e) Advancing loans to third parties;
(f) Effecting any merger, reconstruction, amalgamation etc.; and
(g) Making amendments in the constitutional documents of the Company.

We cannot assure the prospective investors that such covenants will not hinder our business development and growth in the future. In the event that we breach any of these covenants, the consequences of such breach include outstanding amounts due under such financing agreements becoming due and payable immediately, enforcement of security by the lenders, whole or part of outstanding debt being converted into Company's equity shares at face value, appointment of nominee directors on the Company's board of directors. Defaults under one or more of our Company's financing agreements may limit our Company' flexibility in operating its business, which could have an adverse effect on our cash flows, business, results of operations and financial condition. Such restrictive covenants may restrict our Company's financial and operational flexibility and could in turn adversely affect our business and prospects. Under some of these financing agreements, consents from the respective lenders are required for and in connection with the Issue. As on the date of this Placement Document, our Company has received all required consents from the relevant lenders in relation to the Issue.

24. We operate in a highly competitive market. If we are unable to compete with other competitors effectively or accurately forecast the demand for our products, we may fail to increase or maintain our volume of order intake and our business, results of operations and financial condition may be adversely affected.

As on March 31, 2024, our Company is exporting to more than 55 countries with more than 80 customers across the globe. Our Company's competitors include established global Quartz kitchen sinks players. For further details, please see "*Our Business-Competition*" on page 132.

Increasing competition may result in price volatility, which may cause our business, results of operations and financial condition to be adversely affected. We often do not have adequate information about the products that our competitors are designing and manufacturing. As we seek to intensify our efforts to capitalise on the steady demand in both domestic and emerging markets, we may face competition from existing competitors as well as new entrants, who may have better market understanding and reputation in such geographies.

Some of our competitors have been in the business longer than we have and are larger than us in terms of revenue, geographical spread, may have access to greater financial resources, research and development capability. They may also benefit from greater economies of scale and operating efficiencies. Also, in the areas of business where we are a new entrant to the market, we may be unable to compete effectively with our competitors, some of whom may have greater breadth of experience with respect to specific geographies. We may also be required to invest in other technological upgrades or deploy newer technologies to remain competitive. Despite investing in new technologies, we cannot assure you that we may be able to retain our customers. We cannot assure you that we will compete effectively with our competitors in the future, including by making investments in technological upgrades, and any failure to compete effectively may have an adverse effect on our business, results of operations and financial condition.

Planning and implementation of our manufacturing and supply schedules, including for deployment of machinery and labour is based on and subject to our ability to accurately forecast demand for our products from our various customers. If we are unable to accurately forecast the demand for our products and plan our manufacturing and supply schedules in advance, we may be faced with instances of inability to deploy adequate resources and commence manufacture and supply as per the schedules so as to meet customers' demands. Any such delays in deployment of resources may affect our result of operations and financial condition and may lead to loss of customers and revenue.

25. Our success depends largely upon the knowledge and experience of our Promoters and other Key Managerial Personnel and Senior Management. Any loss of our Key Managerial Personnel or Senior Management or our ability to retain them could adversely affect our business, operations and financial condition.

Our performance depends largely on the efforts and abilities of our Promoters, Key Managerial Personnel, Senior Management, including our present officers, managers, engineers and skilled workers. The inputs and experience of our Promoters, Key Managerial Personnel, Senior Management, present officers, managers, engineers and skilled workers are valuable for the development of our business and operations and the strategic directions taken by us. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. In particular, one of our Promoters Chirag Ashwinbhai Parekh plays an active role in our operations and marketing including through strategy, direction, client centric approach and has been integral to our development and business. In case our Promoter Chirag Ashwinbhai Parekh, Key Managerial Personnel or Senior Management is unable or unwilling to continue in our business, we cannot assure you that their services will continue to be available to us. Our Board of Directors includes Directors who bring in significant business and management expertise. The loss of any of them, Key Managerial Personnel or Senior Management may have an adverse effect on our business and results of operations.

Our ability to retain Key Managerial Personnel or Senior Management as well as other key employees will, in part, depend on us having in place appropriate remuneration and incentive schemes. We may not be able to retain our existing Key Managerial Personnel or existing Senior Management or attract or retain Key Managerial Personnel or Senior Management in the future. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We cannot assure you that the remuneration and incentive schemes we presently have in place will be sufficient to retain the services of our Key Managerial Personnel, Senior Management and other skilled employees. Therefore, we may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. The specialised experience we require can be difficult and time-consuming to acquire and/or develop and, as a result, such skilled personnel are often in short supply. Further, we may not be able to re-deploy and retain its professionals to keep pace with continuing changes in technology, evolving standards and changing needs of our customers. Our failure to attract, recruit and retain such skilled personnel, may adversely affect our ability to remain competitive and to execute orders in a timely manner, which in turn may adversely affect our future prospects and results of operations.

26. ***Our Statutory Auditors have included an observation or remark on report on other legal and regulatory requirements in our Fiscal 2023 Consolidated Financial Statement and certain emphasis of matters in the auditor's reports on our Company's audited consolidated financial statements for the year 2019-2020 and our Subsidiary Carysil Steel Limited's audited standalone financial statements for the year 2019-2020.***

The auditor's report for the Fiscal 2023 Audited Consolidated Financial Statements contains an observation or remark on report on other legal and regulatory requirements. Further, our Company's audited consolidated financial statements for the year 2019-2020 and our Subsidiary Carysil Steel Limited's audited standalone financial statements for the year 2019-2020 contain certain emphasis of matters. Corrective steps have been taken with regard to the said observation or remark on report on other legal and regulatory requirements and emphasis of matter.

For further details, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 97.

There is no assurance that the reports of our Statutory Auditors in respect of our financial information for any future periods will not be subjected to similar observations which may not require any adjustment to our financial statements.

27. ***Our Company has contingent liabilities and our Company's financial condition could be adversely affected if any of these contingent liabilities materializes.***

The table below sets forth the principal components of our contingent liabilities as at March 31, 2024 as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets derived from the Fiscal 2024 Audited Consolidated Financial Statements:

(*in ₹ in lakhs*)

Particulars	Amount
Other matters	45.33
Total	**45.33**

Any or all of the above contingent liabilities may become actual liabilities. In the event that any of our Company's contingent liabilities materialize, our business, financial conditions and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future.

28. Our Subsidiaries have incurred losses in the last three Fiscals and may do so in the future, which could have an adverse effect on our business, financial condition, cash flows and results of operations

The table below sets forth the details of losses incurred by the following Subsidiaries during Fiscal 2022, Fiscal 2023 and Fiscal 2024:

Particulars	**As of and for the financial year ended March 31, 2022 (*in ₹ in lakhs*)**	**As of and for the financial year ended March 31, 2023 (*in ₹ in lakhs*)**	**As of and for the financial year ended March 31, 2024 (*in ₹ in lakhs*)**
	(Profit after Tax)	**(Profit after Tax)**	**(Profit after Tax)**
Carysil Online Limited	6.08	(14.24)	(20.51)
Sternhagen Bath Private Limited	(0.94)	(1.25)	(1.19)
Carysil Gmbh	67.40	(130.13)	(62.25)
Carysil Ceramictech Limited	NA**	(1.29)	(1.61)
Carysil FZ LLC	NA**	NA**	(10.83)
Acrysil USA Inc*	NA**	NA**	(147.79)
United Granite LLC	NA**	NA**	(438.98)
Carysil Brassware Limited	-	-	(4.03)

*** Financial data is provided on standalone basis.**
** **No amounts are reflected as the relevant company was not a Subsidiary in the relevant Fiscal year.**

In order to continue their operations, these Subsidiaries may require financial support from our Company either as debt or equity. We may not have the ability to provide such support on a continual basis. Such financial support is also subject to limitation under applicable Indian and laws applicable to these Subsidiaries.

29. Our business could get adversely affected on account of factors beyond our control that may affect our cash flows and business operations.

Our business and results of operations may get adversely affected by factors beyond our control such as acts of God, natural calamities, epidemics, pandemics (manmade and/or natural), flood, orders or restrictions, war or warlike conditions, hostilities, sanctions, blockades, embargoes, detentions, revolutions, riots, looting, strikes, earthquakes, fires or accidents, civil commotion, strike, failure of communication or banking systems, which may require the evacuation of personnel, suspension or curtailment of operations or delays in the delivery of products. Factors such as these may restrict our ability to carry on activities related to our products and fully utilise our resources. Since our supplies are time bound, such factors beyond our control may impact our business. These factors may cause difficulties in manufacturing or supply of raw materials by the supplier, schedule changes, amongst others. This may result in reduction of our productivity. During periods of curtailed activity due to factors beyond our control, we may continue to incur operating expenses and our manufacturing and supply related activities may be reduced. As a result, our revenues and profits may vary significantly during different financial periods. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial conditions.

30. Our Company's business may be adversely affected by losses exceeding our insurance limits or lack of adequate cover.

The Company, in the ordinary course of its business, maintains a number of insurance policies to cover assets, liabilities and risks that it faces, being inherent to our Company's business activities and operations. Our Company's business involves many risks which may adversely affect our profitability, including breakdowns, failure or substandard performance of equipment, third party liability claims, labour disturbances, employee fraud and infrastructure failure. Our Company has obtained insurance policies for coverage against fire and special perils for one of its operational manufacturing facilities in Bhavnagar, as also the plant and machinery, the furniture and fixtures and electrical installations, installation plant, solar system and solar panel in the said facility. Further, all stock kept in the Company's godowns situated at Bhavnagar, are protected against fire, shock and earthquakes. Insurance of the goods exported by our Company are governed by the International Commercial Terms agreed with the customer which may be Free on Board, Cost Insurance and Freight or Delivered Duty Paid. We cannot assure you that the operation of our business will not be affected by any of the incidents listed above. In addition, our insurance may not provide adequate coverage in such circumstances including those involving claims by third parties and is subject to certain deductibles, exclusions and limits on coverage.

Further, we cannot assure you that that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. If our arrangements for insurance or indemnification are not adequate to cover claims, including those exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, we may be required to make substantial payments and our results of operations and financial condition may be adversely affected.

In addition, our insurance coverage expires from time to time. We cannot assure you that the renewals of our insurance coverage will be granted in a timely manner, at an acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected. There can be no assurance that we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable in the future. There may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Additionally, if we fail to comply with insurance regulatory requirements in the regions where we operate, or other regulations governing insurance coverage, our business and results of operations could be adversely affected.

31. ***We have entered into related party transactions in past and may continue to do so in the future, which may potentially involve conflict of interest.***

We have entered into transactions with several related parties in Financial Year 2024, Financial Year 2023 and Financial Year 2022, and we may, from time to time, enter into related party transactions in the future. All such transactions entered into by us, have been conducted at arms' length and in accordance with applicable laws. Furthermore, it is likely that we will enter into related party transactions in the future. Although all related party transactions that we enter into, are subject to board or shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, such related party transactions may potentially involve conflicts of interest. For more information regarding our related party transactions, please see "*Related Party Transactions*" on page 36.

32. ***Our ability to pay dividends in the future will depend on our future earnings, borrowing arrangements, financial condition, cash flows, working capital requirements, capital expenditures and financial condition.***

While our Company has paid dividends in the last three Fiscals, we cannot assure you that we will pay dividends in the future. For further details, please see "*Dividends*" on page 79. The declaration of dividends is recommended by our Board of Directors, at its sole discretion, and the amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions, restrictions on account of our borrowing arrangements with banks and financial institutions and other factors. We cannot assure you that we shall have distributable funds or that we will declare and pay dividends in the future. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, our Company's ability to pay dividends may be impacted by a number of factors, including in terms of restrictive covenants under loan or financing arrangements that our Company is currently a party to or in terms of any loan, financing or any other agreement that our Company may enter into in the future.

33. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance systems. We are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. In addition, we may face challenges establishing and maintaining adequate internal control measures as we expand geographically, introduce new products, the size and complexity of our operations continue to grow.

As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting.

We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely affect our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

34. Our Promoters and members of the Promoter Group will continue to retain substantial shareholding in us after the Issue, which will allow them to exercise significant influence over us.

After the completion of the Issue, our Promoters and members of the Promoter Group will hold approximately 41.37 % of our Company's outstanding equity share capital. Accordingly, our Promoters and members of the Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our Memorandum and Articles of Association, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and members of the Promoter Group. Further, the SEBI Takeover Regulations may limit the ability of a third party to acquire control. The interests of our Promoters, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters will act to resolve any conflicts of interest in our Company's or your favour.

35. We have exclusively commissioned and paid for an industry report which is prepared for the purposes of the Issue and issued by Mordor, which has been used for industry related data in this Placement Document. Accordingly, prospective investors are advised not to base their investment decision solely on such information.

This Placement Document includes information that is derived from the M&I Report, prepared and issued by Mordor Intelligence for the purposes of the Issue. We have exclusively commissioned and paid for the M&I Report for the purpose of confirming our understanding of the industry in connection with the Issue. Mordor Intelligence is not in any manner related to us, or our Directors, and any of our Key Managerial Personnel and Senior Management. The M&I Report is not exhaustive and is based on certain assumptions, parameters and conditions made and identified by Mordor Intelligence that may prove to be incorrect. Given the scope and extent of the M&I Report, disclosures are limited to certain excerpts and the M&I Report has not been reproduced in its entirety in this Placement Document.

Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the M&I Report is not a recommendation to invest / disinvest in any company covered or referred in the M&I Report.

Accordingly, investors should read the industry related disclosure in this Placement Document in this context. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this document. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

Market data and certain information and statistics relating to us and general market/industry data are derived from both public and private sources, including market research, publicly available information and industry publications. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, such market and other third party related information have not been independently verified by us and the BRLM, and, therefore, we make no representation as to the accuracy, adequacy or completeness of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics in the M&I Report may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that the facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

36. ***As the securities of our Company are listed on a stock exchange in India, our Company and our Promoters are subject to certain obligations and reporting requirements under SEBI Insider Trading Regulations, SEBI Takeover Regulations and SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements in the future may render us/our Promoters liable to prosecution and/or penalties.***

Our Company and our Promoters are subject to certain obligations and reporting requirements under the SEBI Insider Trading Regulations, SEBI Takeover Regulations etc. Any non-compliance with the applicable laws, rules and regulations in the future may subject us to regulatory action, including penalties, suspension of trading of Equity Shares or even compulsory delisting of our Equity Shares, which may adversely affect our business or prospects.

EXTERNAL RISK FACTORS

37. ***Significant differences exist between Indian Accounting Standards ("Ind AS") and other accounting principles, such as the generally accepted accounting principles in the US ("US GAAP") and International Financial Reporting Standards ("IFRS"), which may be material to Bidders' assessment of our financial condition.***

The audited financial statements included in this Placement Document have been prepared in accordance with Ind AS, as applicable, in the relevant period of reporting. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our audited financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS audited financial statements will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should be limited accordingly. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

38. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which (i) directly or indirectly involves the determination of purchase or sale prices, (ii) limits or controls production, supply, markets, technical development, investment or provision of services; (iii) shares the market or source of production or provision of services by way of allocation of geographical area of market, type of goods or services or number of customers in the relevant market or any other similar way; or (iii) directly or indirectly results in bid-rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by the Competition Commission of India ("**CCI**"). Additionally, the Competition Commission of India

(Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, set out the mechanism for implementation of the merger control regime in India. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by the Company at this stage.

Consequently, all agreements entered into by us may fall within the purview of the Competition Act. The applicability of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to the scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, may adversely affect our business, results of operations and prospects.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was recently notified. The Competition Amendment Act amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, inter alia, broadens the scope of anti-competitive agreements, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

39. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Our business and financial performance may be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

We cannot assure you that the Government of India or any government in a foreign jurisdiction where we have our business operations, may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India, the government in such foreign jurisdiction and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have an adverse effect on our business, results of operations and financial condition. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us may also subject us to additional liabilities.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, results of operations and financial condition.

40. A slowdown in economic growth in India and other countries where we export our products may cause our business to suffer. We are also subject to regulatory, economic, social and political uncertainties in India and other countries where we export our products.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of the Equity Shares are and will be dependent to a large extent on the health of the economies in which we operate.

We intend to continue to develop and expand our business in India and overseas.

Our business and financial condition could be impacted by certain factors, including the following:

(i) any future slowdown in the Indian economy or the economy of any other country where we operate;
(ii) increase in interest rates which may adversely impact our access to capital and increase our borrowing costs, which may in turn constrain our ability to grow our business and operate profitably;
(iii) a change in the trade policies, in terms of tariff and non-tariff barriers, in the countries from which we import raw materials and to which we export our products;
(iv) fluctuations in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee, including fluctuations of Indian currency as a result of fluctuations in foreign currency. Such fluctuations may also affect the results of our operations as our sales from exports and a portion of our expenditures are denominated in foreign currencies;

(v) political instability, resulting from a change in government or in economic and fiscal policies;
(vi) general elections in India;
(vii) major hostilities involving India, China, the United States or other countries or other acts of violence including civil unrest or terrorist attacks;
(viii) any adverse fluctuations in global commodity prices;
(ix) the occurrence of natural or man-made disasters or epidemic or pandemic such as COVID-19; and
(x) civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war.

There are ongoing conflicts in the Middle East involving Israel, Iran and certain other countries. Although the length, impact and outcome of the ongoing military conflicts in the Middle East is highly unpredictable, these conflicts could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

41. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms on which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

42. If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits may decline.

Inflation rates in India have been volatile in recent years and such volatility may continue in the future. The Indian economy has had sustained periods of high inflation in the recent past and we may face high inflation in the future. Increasing inflation in India could cause a rise in interest rates, costs of rent, employee wages, raw materials transportation and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, whether entirely or in part, and may materially and adversely affect our business and financial condition and decrease demand for our products and services, which may adversely affect our profitability and competitive advantage. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could materially and adversely affect our business, cash flows, results of operations, financial condition and prospects. Further, the Indian Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

43. The price of the Equity Shares may be volatile.

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the kitchen and bathroom solutions sector and changing perceptions in the market about investments in the Indian companies in general and our Company in particular, adverse media reports on us or the kitchen and bathroom solutions sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies and significant developments in India's fiscal regulations. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares may decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, may adversely affect the price of our Equity Shares.

44. Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major Shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by major shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt-financing. In addition, any perception by the investors that such issuances or sales might occur may also affect the trading price of our Equity Shares.

45. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

The Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act. There is no certainty on the impact of Finance Act on tax laws or other regulations, which may adversely affect the Company's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

46. Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the exceptions specified by the RBI, then the approval of the RBI will be required for such transaction to be valid. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the Indian income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Furthermore, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Rules, which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. Further, if our Company ceases to be "*owned and controlled*" by resident Indian entities, we will be subject to additional investment and exit restrictions under the Consolidated FDI Policy and the FEMA. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

47. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange, for a period of 12 months from the date of allotment of such Equity Shares.

Pursuant to Regulation 178 of the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of the Equity Shares in the Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. Our Company cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to certain categories of Eligible QIBs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by such investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

48. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

49. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

50. Investors to the Issue are not allowed to withdraw or revise their Bids downwards after the Bid /Issue Closing Date.

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, investors in the Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the investors' demat account with the depository participant could take approximately seven days and up to ten days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operation or financial condition of the Company, or other events affecting the investor's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. The investors shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the investor's ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

51. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade. There is no guarantee that the Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell the Equity Shares held by them on the Stock Exchange.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, and the Equity Shares are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

MARKET PRICE INFORMATION

As on the date of this Placement Document, our Company's issued, subscribed and paid-up capital comprises 26,845,255 Equity Shares of face value of ₹ 2 each. The Equity Shares have been listed on BSE and NSE since May 09, 1989 and January 14, 2021, respectively. The Equity Shares are listed and traded on NSE under the symbol CARYSIL and BSE under the scrip code 524091.

On July 03, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 846.45 and ₹ 847.55 respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022:

BSE									
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ lakhs)**	**Average price for the year (₹)**
2024	1,101.90	February 13, 2024	33,759	369.31	553.80	April 03, 2023	4,084	22.59	747.65
2023	869	April 06, 2022	37,829	331.04	432.50	January 19, 2023	3,428	14.86	582.79
2022	897.40	December 13, 2021	16,648	150.37	311.25	May 14, 2021	20,255	64.02	660.04

(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

NSE									
Financial Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ lakhs)**	**Average price for the year (₹)**
2024	1,104.45	February 13,2024	8,16,459	8967.81	550.55	April 03,2023	72,927	403.62	747.82
2023	868.95	April 01,2022	2,04,836	1,785.16	431.60	January 19,2023	30,376	131.76	582.74
2022	898.05	December 13,2021	2,29,042	2,076.36	311.00	May,14, 2021	81,432	256.60	659.87

(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2024, 2023 and 2022:

Fiscal	**Number of Equity Shares traded**		**Turnover (In ₹ lakhs)**	
	BSE	**NSE**	**BSE**	**NSE**
2024	29,27,841	3,02,19,869	22,887.00	2,38,803.50
2023	42,44,382	2,69,65,968	25,752.51	1,61,847.42
2022	58,57,407	3,42,64,087	35,953.04	2,11,893.17

(Source: www.bseindia.com and www.nseindia.com)

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE											
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹ in lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹in lakhs)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹lakhs)**
Jan 2024	869.05	January 24,2024	12,382	108.14	821.05	January 01, 2024	11,489	94.70	847.16	2,28,810	1949.30
Feb 2024	1101.90	February 13, 2024	33,759	369.31	881.35	February 01,2024	7,956	69.72	1,008.25	4,40,490	4,459.67
Mar 2024	981.45	March 28, 2024	9,297	91.10	908.10	March 13,2024	12,852	121.63	949.27	1,72,046	1,640.53
Apr 2024	1016.70	April 02,2024	8,350	84.37	934.35	April 19, 2024	3,609	33.81	970.50	1,45,428	1,417.99
May 2024	955.80	May 02, 2024	2,949	27.87	789.35	May 29, 2024	18,133	145.42	884.44	2,46,644	2,114.91
June 2024	878.40	June 11, 2024	14,659	128.99	773.20	June 4, 2024	12,791	97.75	833.43	2,03,839	1,700.19

(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

NSE											
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (₹ in Lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low (₹ in Lakhs)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹ lakhs)**
Jan 2024	870.00	January 24, 2024	3,23,180	2,819.21	820.70	January 01, 2024	76,249	630.26	847.74	25,54,584	21,839.98
Feb 2024	1,104.45	February 13, 2024	8,16,459	8,967.81	881.50	February 01, 2024	1,46,140	1281.75	1,008.91	46,31,695	47,138.47
Mar 2024	981.95	March 28, 2024	67,801	664.17	909.55	March 13, 2024	2,77,106	2,626.57	949.70	20,03,847	19,165.51
Apr 2024	1,017.00	April 05, 2024	68,162	690.03	935.45	April 19, 2024	54,571	511.34	971.12	13,81,829	13,467.74
May 2024	955.50	May 02, 2024	60,263	570.64	789.35	May 29, 2024	1,00,564	804.06	883.97	19,81,977	17,179.28
June 2024	879.05	June 11, 2024	88,676	781.47	774.35	June 04, 2024	141,602	1,086.35	833.25	14,12,879	11,711.04

(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

(iii) The following table sets forth the market price on the Stock Exchanges on March 21, 2024 that is, the first working day following the approval dated March 20, 2024 of our Board of Directors for the Issue:

Date	**BSE**					
	Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ lakhs)**
March 21, 2024	943.35	966.95	943.35	953.15	7,123	68.10

(Source: www.bseindia.com)

Date	NSE					
	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ lakhs)
March 21, 2024	944.75	978.45	944.00	953.10	28,985	277.23

(Source: www.nseindia.com)

USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ 12,500 lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ 330 lakhs, shall be approximately ₹ 12,170 lakhs (the "**Net Proceeds**")

Objects of the Issue

Subject to the applicable laws and regulations, our Company proposes to utilize the Net Proceeds raised through the Issue for the following objects (collectively referred to as the "**Objects**"):

(₹ in lakhs)

Sr. no.	Particulars	Amount to be deployed from Net Proceed
1.	Funding the capital expenditure towards procurement and installation of machines, equipment and moulds required for the Company's existing and/or new manufacturing facility(ies).	6,250.00
2.	Funding the Company's working capital requirements	3,125.00
3.	General corporate purposes	2,795.00

The main objects and objects incidental and ancillary to the main objects of the memorandum of association of our Company, enable the Company to undertake (i) existing activities; and (ii) the activities proposed to be funded from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

(₹ in lakhs)

Sr. no.	Particulars	Total Estimated Cost	Amount to be deployed from Net Proceed	Estimated deployment	
				Fiscal Year ended March 2025	Fiscal Year ended March 2026
1.	Funding the capital expenditure towards procurement and installation of machines, equipment and moulds required for the Company's existing and/or new manufacturing facility(ies).	6,392.34	6,250.00	3,750.00	2,500.00
2.	Funding the Company's	3,125.00	3,125.00	3,125.00	-

Sr. no.	Particulars	Total Estimated Cost	Amount to be deployed from Net Proceed	Estimated deployment	
				Fiscal Year ended March 2025	Fiscal Year ended March 2026
	working capital requirements				
3.	General corporate purposes	2,795.00	2,795.00	2,795.00	-

The above fund requirements and proposed deployment are based on internal management estimates, existing business plans, prevailing market conditions, other commercial and technical factors, and quotations received from some of the third-party vendors, which are subject to change(s) in the future. The deployment of funds has not been appraised by any bank or financial institution or any other independent agency. The above fund requirements and proposed deployment are based on current conditions and business needs, and are subject to revisions in light of changes in costs, the financial condition of our business, business strategy, delay in procuring and operationalizing assets or delay in obtaining necessary licenses and approvals or external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be in our control. To the extent permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds and surplus amounts, if any. Any variation in the planned use of the Net Proceeds will be undertaken in accordance with applicable law, including compliance with requirements for prior shareholders' approval, where required.

Further, in case the Net Proceeds are not completely utilized in a scheduled Fiscal year due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the same would be utilized (in part or full) in the next Fiscal year(s)/ subsequent period as may be determined by our Company, in accordance with applicable law. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure, at the discretion of our management, subject to compliance with applicable law. Further, we have not yet placed orders for machines, equipment and moulds which need to be purchased and installed in the Company's existing and/or new manufacturing facility(ies). There can be no assurance that we would be able to procure equipment at the estimated costs.

We have not entered into any definitive agreements with all the vendors who have issued these quotations and there can be no assurance that the same vendor would be engaged to eventually supply the machines, equipment and/or moulds, at the same costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. This may also result in unanticipated delays in implementation, cost overruns and other risks and uncertainties. In case we require additional capital towards meeting the Objects, we may explore a range of options including utilising internal accruals, additional equity and/or debt arrangements or by surplus funds available in respect of the other purposes for which funds are being raised in the Issue.

Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt or equity infusion from existing and future lenders and investors. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. For details, see "*Risk Factors – The fund requirement and deployment mentioned in the Use of Proceeds have not been appraised by any bank or financial institution*" on page 45.

Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds.

Details of the Objects

1. ***Funding the capital expenditure towards procurement and installation of machines, equipment and moulds required for the Company's existing and/or new manufacturing facility(ies)***

We currently have four manufacturing facilities at Bhavnagar, Gujarat, out of which three units of the Company have, as of March 31, 2024, an installed capacity of 10,00,000 units p.a. and a capacity utilisation of 60.41%. For further details, please see *"Our Business-Capacity and Capacity Utilisation"* at page 130.

Our Company, for the purpose of increasing its production capacity and product offerings to its customers, is seeking to procure machines, equipment and moulds, for being installed in the existing manufacturing facilities of the Company and/or in any additional manufacturing facility(ies) that the Company may set up in the future.

As per the certificate dated July 01, 2024 issued by Abhishek Kiranbhai Shah, Chartered Engineer (Registration Number: AM-148845-5), the estimated project cost, as of the date of the said certificate, for procurement and installation of the machines, equipment and moulds, is as follows:

Sr. no.	Particulars	Total Estimated Cost (without tax)
1.	Machines and equipment	₹ 38,68,11,446
2.	Moulds and dies	₹19,17,22,631
3.	Mould Making Cost (as per the estimate provided by the Company)	₹ 6,07,00,000
Total		**₹ 63,92,34,077**

The Company has received quotations from several suppliers/vendors for supply of certain machines, equipment and moulds to the Company, for an aggregate amount of ₹57,85,34,077. There may be some revisions in the final amounts payable by the Company towards these quotations pursuant to the actual number of units of machines, equipment and/or moulds that may be procured by the Company and any taxes or levies payable on such units. If the Company engages someone other than the third party vendors from whom our Company has obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the procurement of assets may differ from the current estimates. No second-hand or used machine, equipment or mould is proposed to be purchased out of the Net Proceeds.

Our Company intends to utilize ₹ 6,250 lakhs from the Net Proceeds for the procurement and installation of machines, equipment and moulds required for the Company's existing and/or new manufacturing facility(ies). The quantity of machines, equipment and moulds to be purchased is based on management estimates and could be subject to change in the future. Furthermore, the estimated cost quoted in the quotations are non-negotiated costs and could be subject to change in the future. In the event of any change in the price or breakup of the estimated cost, the Net Proceeds may be appropriately distributed across the project cost-heads to adjust any decrease or increase in cost under any of the headings stated above.

The details of the quotations received by the Company from certain suppliers/vendors of machines, equipment and moulds and the management's estimate of the quantity of units of some of the machines, equipment and moulds proposed to be procured by the Company, are set out below:

<u>Machines and equipment</u>

S.No.	Description of the machinery and equipment	Type/purpose of the machinery, equipment	Date of the quotation	Name of the vendor	Quantity*	Rate per unit(In ₹)	Total cost of the machinery, equipment (In ₹) excluding tax
1.	Chilling plant including commissioning	For chilling purpose	May 06, 2024	Voltas Ltd.,	4	26,65,000	1,06,60,000
2.	Cooling tower	For chilling purpose	April 18, 2024	Advance Cooling & Towers	4	6,62,000	26,48,000
3.	Tanks, pumps, valves for chilling purpose	Valves	April 26, 2024	Rushabh Enterprise	As per requirement	19,79,690	19,79,690
		Pump parts	April 25, 2024	Jay Pump Private Limited	As per requirement	29,47,852	29,47,852
4.	Piping and insulation	For chilling purpose	May 31, 2024	Inner Engineering	1640	975	15,99,000
5.	Electric panel	For chilling purpose	April 26, 2024	Mega Switchgear	2	6,00,500	12,01,000
6.	Hot water generator	For hot water system	April 24, 2024	Thermax Ltd.	4	17,42,400	69,69,600
7.	Pumps, tanks, chimney for hot water system	Pump	April 25, 2024	Jay pumps	4	2,01,044	8,04,176
		Main & Expansion Tank	April 25, 2024	Jay Tech Engineering	2	5,20,000	10,40,000
		Valves	April 26, 2024	Rushabh Enterprise	17	73,875	12,55,875
8.	Softening plant	For hot water system	May 15, 2024	Ion (Exchange) India Ltd.	2	3,84,700	7,69,400
9.	Air Compressor	For air compressor system	April 18, 2024	Milestone Pneumatic	4	34,18,100	1,36,72,400
10.	Valves, piping, electrical	For air compressor system	April 26, 2024	Rushabh Enterprise	2	3,18,662	6,37,324
11.	11 KVA VCB at supply by PGVCL	For electric power system	April 20, 2024	Expel Prosys Pvt. Ltd.	2	3,88,000	7,76,000
12.	2000 KVA transformer	For electric power system	April 20, 2024	Voltamp Transformer Ltd.	2	32,65,000	65,30,000
13.	LT main panel	For electric power system	April 26, 2024	Mega Switchgear	1	18,45,950	18,45,950
14.	DG set	For electric power system	April 29,2024	Green Power Sales and Service	3	68,80,000	2,06,40,000
15.	Mould carrier with hydraulic system	For mould station	April 25, 2024	Shah Fastners	30	8,05,000	2,41,50,000

S.No.	Description of the machinery and equipment	Type/purpose of the machinery, equipment	Date of the quotation	Name of the vendor	Quantity*	Rate per unit(In ₹)	Total cost of the machinery, equipment (In ₹) excluding tax
16.	Control panel – PLC with pneumatic Valves terminal	For mould station	May 02, 2024	Reyold Automation	30	5,46,500	1,63,95,000
17.	Mould water circulation unit	For mould station					
		Pump	April 25, 2024	Jay Pump	70	1,68,492	1,17,94,440
		Valve : 3/2	April 17, 2024	AIRA INDIA AUTOMATION	120	11,588	13,90,560
		Control val.	April 19, 2024	Roctec Automation	60	54,100	32,46,000
		Pump stand item	April 23, 2024	Universal Sales Agency	30	7,172	2,15,160
		Pump seal	May 08, 2024	Seals India	60	5,967	3,58,020
		Valve : 1"	April 26, 2024	Rushabh Enterprise	120	5,460	6,55,200
		Pipe:1" mtr : 40	May 31, 2024	Mahimagan Tubes	270	577	1,55,790
		bend set: 150 nos.	April 24, 2024	(Mahimagan)	1500	182	2,73,000
18.	Electrical, pneumatic and instrumental items	For mould station	April 22, 2024	Prime International	30	48,995	14,69,850
19.	Hydraulic power pack system for mould station	For mould station - HPP-022-04- {2 HP-1P 3028-WP 040} -	May 24, 2024	Jacktech Hydraulics	30	48,000	14,40,000
20.	SS mixing vessel	For vessel drive	April 18, 2024	Jay Tech Engineering Co.	20	1,40,000	28,00,000
21.	Dual speed motor	For vessel drive	April 24, 2024	Amit Electricals	20	76,800	15,36,000
22.	Auto hydraulic lifting system for vessel drive	Hyd. Cyllinder & Menofold	May 24, 2024	Jacktech Hydraulics	20	24,000	4,80,000
		stand	May 01, 2024	Kajal Engineering Works	20	32,000	6,40,000
23.	SS mixing vessel	Reactor	April 18, 2024	Jay Tech Engineering Co.	12	3,85,000	46,20,000
24.	Geared motor unit	Reactor	April 24, 2024	Amit Electricals	6	54,500	3,27,000

S.No.	Description of the machinery and equipment	Type/purpose of the machinery, equipment	Date of the quotation	Name of the vendor	Quantity*	Rate per unit(In ₹)	Total cost of the machinery, equipment (In ₹) excluding tax
25.	Accessories AOD pump	Reactor	April 22, 2024	Coron Enterprise	6	46,500	2,79,000
26.	Standard Vacuum pump	Vacuum System	April 22, 2024	P. Prabhudas Engineering Pvt. Ltd.	6	1,47,300	8,83,800
27.	Tank and piping	Vacuum system	April 25, 2024	Jay Tech Engineering Co.	3	1,35,000	4,05,000
28.	Electric PDP panel	Utility, mixing, casting and machining Department	April 26, 2024	Mega Switchgear	1	19,43,400	19,43,400
29.	DG Set	Cable & Electrical Items	March 27, 2024 April 22, 2024 April 26, 2024 April 27, 2024 June 18, 2024	Vora Electri Corporation	As per requirement	58,64,303	58,64,303
30.	Air distribution tank	Air distribution piping plant area	April 25, 2024	Jay Tech Engineering Co.	1	2,50,000	2,50,000
31.	Piping aluminum set	Air distribution piping plant area	April 24, 2024	Milestone Pneumatics	1	10,25,235	10,25,235
32.	Pneumatic items	Air distribution piping plant area	April 23, 2024	Prime International	1	2,19,030	2,19,030
33.	Main headrer and sub headrer hot cold water pipe	Piping and gantry	May 31, 2024 April 24, 2024	Mahimagan Tubes Industries	As per requirement	73,42,150	73,42,150
34.	Valves of main and headrer	Ball Valve	April 26, 2024	Rushabh Enterprise	As per requirement	11,09,920	11,09,920
35.	Piping insulation	Insulation Pipes	May 31, 2024	Inner Engineering	as per requirement	24,96,000	24,96,000
36.	Stabilizer	Machining department	April 25, 2024	Ima Automation	4	2,40,500	9,62,000
37.	Sink washing machine	Machining department	April 26, 2024	General Engineering Enterprise	1	12,31,000	12,31,000
38.	SPM machine	Machining department	April 14, 2024	Global CNC Pvt. Ltd.	4	53,00,000	2,12,00,000
39.	Drill machine	Machining department	May 08, 2024	Siddhapur Sales	8	1,12,500	9,00,000

S.No.	Description of the machinery and equipment	Type/purpose of the machinery, equipment	Date of the quotation	Name of the vendor	Quantity*	Rate per unit(In ₹)	Total cost of the machinery, equipment (In ₹) excluding tax
40.	Dust collection	Machining department	May 09, 2024	Techflow Enterprise Pvt. Ltd.	1	25,66,000	25,66,000
41.	Lapping machine	Packing	April 23, 2024	J Pack Engineers Pvt. Ltd.	4	3,75,000	15,00,000
42.	Strapping machine	Packing	April 23, 2024	J Pack Engineers Pvt. Ltd.	6	3,00,000	18,00,000
43.	Forklift	BSR finish goods	May 31, 2024	Radix Innovations Pvt. Ltd.	5	13,00,700	65,03,500
44.	Mannualy operated Pallet Truck	BSR finish goods	April 22, 2024	Radix Innovations Pvt. Ltd.	8	5,84,500	46,76,000
45.	Goods lift 2 ton	BSR finish goods	April 28, 2024	BOB Engineering Co.	4	7,26,750	29,07,000
46.	Oven	Finishing goods	April 27, 2024	Harmik Enterprise	2	2,80,000	5,60,000
47.	Mould stacker	Casting department	April 22, 2024	CTR Manufacturing Industries Pvt. Ltd.	3	2,48,000	7,44,000
48.	YH 1200 Stone Square and Bevel Edge Polishing Machine with spares	Fabrication unit	April 26, 2024	Foshan Yongshengda Machinery Co., Ltd.	4	51,77,856	2,07,11,422
49.	YD-3020 CNC Machining Centre 3 axis	Fabrication unit	April 26, 2024	Foshan Yongshengda Machinery Co., Ltd.	4	52,61,369	2,10,45,478
50.	YD-3220 (5 axis) Bridge Saw Cutting Machine	Fabrication unit	April 26, 2024	Foshan Yongshengda Machinery Co., Ltd.	4	52,61,369	2,10,45,478
51.	Packaging Automation	Quartz Sink Packaging	May 15, 2024	Neptune Systems	1	2,50,00,000	2,50,00,000
52.	Machine for Faucets & Appliances project	Power Coating cum Lacquer Plant (1 full set)	December 31, 2023	GB neuhaus Gmbh Germany	1	3,53,75,000	3,53,75,000
53.	Machine for Faucets & Appliances project	CNC machining Center (1 set)	April 15, 2024	Macpower CNC Machines Ltd	1	31,00,000	31,00,000
54.	Machine for Faucets &	CNC lathe machine (1 set)	June 15, 2024	Macpower CNC Machines Ltd	1	17,00,000	17,00,000

S.No.	Description of the machinery and equipment	Type/purpose of the machinery, equipment	Date of the quotation	Name of the vendor	Quantity*	Rate per unit(In ₹)	Total cost of the machinery, equipment (In ₹) excluding tax
	Appliances project						
55.	Machine for Faucets & Appliances project	80 Ton hydraulic press brake	June 05, 2024	Flowmech Engineers Pvt Ltd	1	8,07,500	8,07,500
56.	Machine for Faucets & Appliances project	Plating plant (full set)	June 27, 2024	Autometafins Engineering Company	1	1,60,00,000	1,60,00,000
57.	Machine for Faucets & Appliances project	Flat glass tempering machine	December 07, 2023	BolayMac Technology Development (Foshan) Co. Ltd	1	1,78,30,196	1,78,30,196
58.	Machine for Faucets & Appliances project	Automatic Glass cutting line	December 07, 2023	BolayMac Technology Development (Foshan) Co. Ltd	1	33,99,012	33,99,012
59.	Machine for Faucets & Appliances project	High speed glass double pencil ager line	December 07, 2023	BolayMac Technology Development (Foshan) Co. Ltd	1	65,09,901	65,09,901
						Total	**38,68,11,446**

*this is as per the estimate provided by the Company

<u>Moulds and dies</u>

Mould Descriptions	Date of Quotation	Supplier	No. of Mould#	Mould Cost in USD	Mould Cost (in Rs.)*	Total Mould Cost (in Rs.)
Kilsviken 56 x 46	May 30, 2024	Weber Manufacturing Technologies Inc.	6	58,000	48,43,800	2,90,62,802
Kilsviken 72 x 46	May 30, 2024	Weber Manufacturing Technologies Inc.	5	62,250	51,98,734	2,59,93,670
Enigma 370x510	May 30, 2024	Weber Manufacturing Technologies Inc.	2	58,750	49,06,436	98,12,872
Enigma 430x510	May 30, 2024	Weber Manufacturing Technologies Inc.	2	60,250	50,31,706	1,00,63,413
Waltz 33x22 DB	May 13, 2024	Weber Manufacturing Technologies Inc.	2	84,480	70,55,246	1,41,10,492
Waltz 33x22 SB	May 13, 2024	Weber Manufacturing Technologies Inc.	2	79,440	66,34,336	1,32,68,673
ACR N-100 Big B	May 30, 2024	Weber Manufacturing Technologies Inc.	5	52,250	43,63,596	2,18,17,980

Mould Descriptions	Date of Quotation	Supplier	No. of Mould#	Mould Cost in USD	Mould Cost (in Rs.)*	Total Mould Cost (in Rs.)
Laundry Sink	May 13, 2024	Weber Manufacturing Technologies Inc.	1	72,480	60,53,080	60,53,080
Tip Toe D100	May 10, 2024	Weber Manufacturing Technologies Inc.	3	48,250	40,29,541	1,20,88,623
Enigma 430x460	May 13, 2024	Weber Manufacturing Technologies Inc.	2	31,440	26,25,674	52,51,348
Ledge 46 x 46	May 30, 2024	Weber Manufacturing Technologies Inc.	1	59,500	49,69,071	49,69,071
Ledge 56 x 46	May 30, 2024	Weber Manufacturing Technologies Inc.	1	63,500	53,03,126	53,03,126
Ledge 72.4 x 45.7	May 30, 2024	Weber Manufacturing Technologies Inc.	1	75,500	63,05,292	63,05,292
Ledge 76 x 45.7	May 30, 2024	Weber Manufacturing Technologies Inc.	1	77,250	64,51,441	64,51,441
Ledge 83.8 x 55.9 SB	May 30, 2024	Weber Manufacturing Technologies Inc.	2	82,750	69,10,767	1,38,21,534
Ledge 83.8 x 55.9 DB	May 30, 2024	Weber Manufacturing Technologies Inc.	1	88,000	73,49,214	73,49,214
Total			**37**			**19,17,22,631**

*Exchange rate as per RBI on 24th June - 1 USD = 83.5138 INR
As per the estimate provided by the Company

2. **Funding the Company's working capital requirements**

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of business from bank borrowings and through our internal accruals. Our Company requires additional working capital for funding its future growth requirements and for other strategic, business, and corporate purposes. Our Company's working capital requirements in the Financial Years ended March 31, 2025 has been certified by our Statutory Auditor in terms of its certificate dated July 01, 2024. We intend to utilise ₹ 3,125 lakhs from the Net Proceeds to fund working capital requirements of our Company in the Financial Year ended March 31, 2025, which shall lead to a consequent reduction in our finance costs and thereby have a positive impact on our profitability and financial condition.

As at March 31, 2024, the aggregate amounts under the fund based and non-fund based working capital facilities of the Company, on a standalone basis, are ₹ 10,893.49 lakhs and ₹ 288.40 lakhs, respectively.

Basis of estimation of working capital requirement and estimated working capital requirements

As per the certificate dated July 01, 2024 issued by the Statutory Auditors, the details of the Company's working capital for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022 derived from the audited standalone financial statements of the Company and source of funding are provided in the table below:

(₹ in lakhs)

Particulars	As at the Fiscal ended March 31, 2024	As at the Fiscal ended March 31, 2023	As at the Fiscal ended March 31, 2022
Current Assets			
Inventories	8,655.99	7,434.55	7,573.54
Trade receivables	8,337.42	5,512.98	8,206.68
Cash and cash equivalents	73.06	153.07	90.69

Particulars	As at the Fiscal ended March 31, 2024	As at the Fiscal ended March 31, 2023	As at the Fiscal ended March 31, 2022
Other bank balance	367.12	806.98	589.63
Loans	354.07	25.40	13.23
Other financial assets	808.90	1,036.73	1,307.04
Current tax assets	4,981.97	4,734.84	4,477.89
Other current assets	1,968.70	2,333.99	2,717.08
Net Current Assets (A)	**25,547.23**	**22,038.54**	**24,975.78**
Current Liabilities			
Financial Liabilities			
i. Borrowings	11,865.72	9,482.73	9,217.12
ii. Lease liabilities	441.73	364.33	295.71
iii. Trade payables	4,156.29	2,963.42	6,077.11
Other financial liabilities	401.18	249.73	314.87
Other current liabilities	275.33	214.21	267.59
Provisions	170.35	93.06	102.48
Current tax liabilities	5,143.40	4,771.08	4,532.46
Less: Borrowings	11,865.72	9,482.73	9,217.12
Net Current Liabilities (B)	**10,588.28**	**8,655.83**	**11,590.22**
Working Capital (C = A-B)	**14,958.95**	**13,382.71**	**13,385.56**
Existing Funding Pattern (D)			
Borrowings	11,865.72	9,482.73	9,217.12
Internal accruals/ equity	3,093.23	3,899.98	4,168.44
Total Means of Finance	**14,958.95**	**13,382.71**	**13,385.56**

Assumptions for working capital requirements:

The following table sets forth the details of the holding levels (days) for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, which has been computed based on the audited standalone financial statements of the Company for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, respectively.

Holding levels

The table below contains the details of the holding levels (days) considered:

Particulars	As of and for the financial year ended March 31, 2024	As of and for the financial year ended March 31, 2023	As of and for the financial year ended March 31, 2022
Receivable days*	68	75	67

Inventory days*	79	82	54
Payable days*	73	102	77

(a) Receivable Days = 365 / (Sale of Product / Average Trade Receivables)

(b) Inventory Days = 365 / (Sale of Product / Average Inventory)

(c) Payable Days = 365 / [(Purchase of Stock-in-trade + Purchase of Raw Materials + Purchase of packing material + power and fuel (manufacturing expenses) + stores and spares (manufacturing expenses) + bought out items) / average trade payables]
**All the days calculated are rounded off.*

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such amount not exceeding 25% of the Gross Proceeds. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, any additional capital expenditure, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries, meeting exigencies and expenses, logistics expenses, installation expenses, accessories, and other expenses in relation to our proposed capital expenditure, maintenance and expansion of our manufacturing facility, repayment of loans, branding and promotions, strengthening of the marketing capabilities, as may be applicable, and meeting ongoing general corporate exigencies and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013 and other applicable laws. The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. In addition to the above, our Company may utilise the Net Proceeds towards other purposes relating to our business which are considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and in accordance with the stated objectives and our business.

Monitoring of utilization of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**"), as the size of our Issue exceeds ₹10,000 lakhs. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. Our Board will provide their comments on the findings of the Monitoring Agency as specified in its report. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Pending utilisation for the purposes described above, our Company intends to temporarily invest funds in creditworthy instruments, including money market mutual funds and deposits with banks. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Neither of our Promoter nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects.

Further, neither our Promoter nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoter, Directors or Key Managerial Personnel or Senior Management are not eligible to subscribe in the Issue.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2024 which is based on our Fiscal 2024 Audited Consolidated Financial Statements and our Company's capitalization as adjusted to reflect the receipt of the gross proceeds of this Issue.

This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 81 and 185, respectively.

(in ₹ lakhs, unless otherwise stated)

Particulars	31st March, 2024	Post issue
Current borrowing:[2]		
Secured	18,104.84	18,104.84
Unsecured	250.51	250.51
Non-current borrowing[2]		
Secured	11,466.09	11,466.09
Unsecured	-	-
Total borrowing (a)	**29,821.44**	**29,821.44**
Shareholders funds:		
Share capital[1]	536.32	568.31
Securities premium[1]	4,488.64	16,974.24
Reserves and surplus (excluding securities premium)[2]	30,374.26	30,374.26
Non-controlling Interest[2]	412.30	412.30
Shareholders funds (b)	**35,811.52**	**48,329.11**
Total capitalization (a + b)	**65,632.96**	**77,921.95**
Ratio: Total Borrowing / Shareholders Funds (times)	**0.83**	**0.62**

[1]As adjusted in Share Capital and Securities Premium on account of the proceeds from the Issue amounting to ₹12,500 lakhs, out of which, ₹31.41 lakhs have been adjusted towards Equity Share Capital and ₹ 12,468.59 lakhs has been adjusted towards Securities Premium. No change in borrowings has been considered on account of the Issue. The Shareholders Funds have not been adjusted for share issue expenses in relation to the Issue. This has been computed basis the Issue Price, as approved in the Capital Raising Committee meeting dated July 03, 2024. The Company has issued 29,325 equity shares pursuant to ESOP conversion on 4th June, 2024 which is considered.

[2] Post-issue figures are stated as on 31st March, 2024 and not adjusted for interim period till date.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Placement Document is set forth below:

(in ₹, except share data)

	Particulars	Aggregate nominal value at face value
A	**AUTHORISED SHARE CAPITAL**	
	40,000,000 Equity Shares of face value of ₹2 each	80,000,000
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	26,845,255 Equity Shares of face value of ₹2 each	5,36,90,510
C	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**	
	Up to 15,70,351 Equity Shares aggregating up to ₹ 12,500 lakhs (1)	31,40,702
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	2,84,15,606 Equity Shares	5,68,31,212
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	4505.65 lakhs
	After the Issue(2)	16,974.24 lakhs

(1) *This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on March 20, 2024. The Shareholders' of our Company have authorised and approved the Issue by way of a special resolution on May 02, 2024)*

(2) *The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses*

Notes to the Capital Structure

1. *Equity Share capital history of our Company*

The history of the equity share capital of our Company as on the date of this Placement Document is provided in the following table:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
November 21, 1986	700	10	10	Cash	Initial subscription to the Memorandum of Association	700	7,000
March 29, 1989	14,64,300#	10	10	Cash	Allotment to shareholders pursuant to public issue	14,65,000	1,46,50,000*
March 07, 1990	30,000	10	10	Cash	Allotment to shareholders pursuant to public issue	14,95,000	1,49,50,000**
July 15, 1992	897,000	10	10	Cash	Rights Issue	23,92,000	2,39,20,000
December 14, 1993	180,000	10	10	Cash	Further Issue	25,72,000	2,57,20,000
January 24, 2008	125,000	10	36.50	Cash	Conversion of warrants into equity shares	26,97,000	2,69,70,000
August 29, 2008	134,000	10	36.50	Cash	Conversion of warrants into equity shares	28,31,000	2,83,10,000
June 04, 2009	141,000	10	36.50	Cash	Conversion of warrants into equity shares	29,72,000	2,97,20,000
October 03, 2012	14,86,000	10	10	NA	Bonus issue in the ratio of one Equity Share for every two eligible existing fully paid-up equity shares	44,58,000	4,45,80,000

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
January 29, 2014	50,000	10	100	Cash	Conversion of warrants into equity shares	45,08,000	4,50,80,000
May 26, 2014	100,000	10	100	Cash	Conversion of warrants into equity shares	46,08,000	4,60,80,000
August 12 2014	50,000	10	100	Cash	Conversion of warrants into equity shares	46,58,000	4,65,80,000
August 28, 2015	530,976	10	572	Cash	Preferential issue of shares	51,88,976	5,18,89,760
Pursuant to a resolution passed by our Board of Directors on November 16, 2018 and a resolution of our Shareholders passed at in their extra-ordinary general meeting held on December 21, 2018, every one equity share of face value ₹ 10 each was sub-divided into 5 equity shares of face value ₹ 2 each, and accordingly, 51,88,976 equity shares of face value ₹ 10 each were sub-divided into 2,59,44,880 equity shares of face value ₹ 2 each							
August 02, 2019	187,500	2	110	Cash	Conversion of warrants into equity shares	2,61,32,380	5,22,64,760
October 13, 2019	562,500	2	110	Cash	Conversion of warrants into equity shares	2,66,94,880	5,33,89,760
June 09, 2022	77,061	2	60	Cash	Allotment pursuant to Acrysil Limited-Employee Stock Option Plan-2021	2,67,71,941	5,35,43,882
Allotments in the one year immediately preceding this Placement Document							
June 12, 2023	43,989	2	60	Cash	Allotment pursuant to Acrysil Limited-Employee Stock Option Plan-2021	2,68,15,930	5,36,31,860
June 04, 2024	29,325	2	60	Cash	Allotment pursuant to Acrysil Limited-Employee Stock Option Plan-2021	2,68,45,255	5,36,90,510

#As per Annual Report of FY 1989.

*This includes the unpaid amount of Rs. 27,76,500 as at March 31, 1989.

**This includes the unpaid amount of Rs. 1,07,500 as at March 31, 1990. Further the unpaid amount outstanding as at March 31, 1991 was Rs. 25,000 which subsequently became NIL as at March 31, 1992.

Except as stated in "*Equity Share capital history of our Company*" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash.

Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please see the section titled "*Details of Proposed Allottees*" on page188.

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of March 31, 2024 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue		Post-Issue^	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	**Promoter holding****				
1	Indian				

Sr. No.	Category	Pre-Issue		Post-Issue^	
		Number of Equity Shares held	**% of shareholding**	**Number of Equity Shares held**	**% of shareholding**
	Individual	1,03,74,990	38.69	1,03,74,990	36.51%
	Bodies corporate	13,81,760	5.15	13,81,760	4.86%
	Sub-total	**1,17,56,750**	**43.84**	**1,17,56,750**	41.37%
2	Foreign promoters	-	-	-	-
	Sub-total (A)	**1,17,56,750**	**43.84**	**1,17,56,750**	**41.37%**
B	**Non-Promoter holding**				
1	*Institutional investors (domestic*)				
	Mutual Funds	1,50,057	0.56	9,35,232	3.29%
	Alternate Investment Funds	17,68,929	6.6	20,82,999	7.33%
	SI- NBFC	-	-	31,408	0.11%
	Insurance Companies	42,800	0.16	42,800	0.15%
	Sub-total (B1)	**19,61,786**	**7.32**	**30,92,439**	**10.88%**
2	*Institutional investors (foreign*)				
	Foreign Portfolio Investors	2,32,214	0.87%	6,71,912	2.36%
	Sub-total (B2)	**2,32,214**	**0.87%**	**6,71,912**	**2.36%**
3	**Non-Institutional investors**				
	Key Managerial Personnel	21,600	0.08	27,000	0.10%
	Investor Education and Protection Fund	4,73,048	1.76	4,73,048	1.66%
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	91,37,257	34.07	91,37,257	32.16%
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	12,45,403	4.64	12,69,328	4.47%
	Non- resident Indians (NRIs)	7,15,064	2.67	7,15,064	2.52%
	Bodies corporate	7,54,028	2.81	7,54,028	2.65%
	Any other	5,18,780	1.93	5,18,780	1.83%
	Sub-total (B3)	**1,28,65,180**	**47.98%**	**1,28,94,505**	**45.38%**
	Grand Total (A+B1+B2+B3)	**2,68,15,930**	**100%**	**2,84,15,606**	**100.00%**

[**]Includes shareholding of our Promoter Group as well.

^ The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category adjusted for the Allocation in the Issue. Further the post issue capital includes 29,325 Equity Shares allotted to certain employees on June 04, 2024 pursuant to 'Acrysil Limited-Employee Stock Option Plan-2021'. Save and except the ESOP allotment, the post issue shareholding of all other categories is as of March 31, 2024

Other confirmations

(i) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice to our Shareholders, i.e. March 20, 2024 for approving the Issue.

(ii) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

(iii) Acrysil Limited-Employee Stock Option Plan-2021

The Nomination and Remuneration Committee had, on March 18, 2021, approved the 'Acrysil Limited-Employee Stock Option Plan-2021' for granting employee stock options not exceeding 3,00,000 ("**ESOPs**") convertible into equivalent number of Equity Shares of face value of ₹ 2 each to the eligible employees of the Company and the Subsidiaries. The Acrysil Limited-Employee Stock Option Plan-2021 was also approved by the shareholders of the Company through postal ballot on May 03, 2021. The Nomination and Remuneration Committee had, on May 20, 2021, approved an amendment to the Acrysil Limited-Employee Stock Option Plan-2021. Further, the Nomination and Remuneration Committee had, on May 20, 2021, approved the grant of 2,25,000 ESOPs to certain eligible employees of the Company and the Subsidiaries.

The objective of Acrysil Limited-Employee Stock Option Plan-2021 is to reward the Eligible Employees (as defined in Acrysil Limited-Employee Stock Option Plan-2021) in India and abroad for their performance and to motivate them to contribute to the growth and profitability of the Company and its Subsidiaries. The Company also intends to use Acrysil Limited-Employee Stock Option Plan-2021 to attract and retain talents in the organization. Our Company views ESOPs as instruments that would enable the Eligible Employees to get a share in the value they create for the Company in future.

The details of Acrysil Limited-Employee Stock Option Plan-2021, as on the date of this Placement Document, are as under:

Total number of ESOPS granted	**Options exercised**	**Options lapsed or forfeited**	**Options vested and outstanding**
2,25,000	1,50,375	47,625	Vested - 1,77,375 Outstanding – 27,000

(iv) There is no change in control in our Company consequent to the Issue.

(v) Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. The Board has approved and adopted a formal dividend distribution policy in accordance with Regulation 43A of the SEBI Listing Regulations on May 20, 2021. For further information, please see the section titled "*Description of the Equity Shares*" on page 174.

Dividend amounts are determined each Fiscal in accordance with our Board's assessment of our Company's financial performance, past dividend trends, liquidity position, capital expenditure requirements, debt obligations, the external market conditions, the future potential of our Company and other factors. The declaration and payment of interim dividends, if any, will be approved by the Board of Directors at their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013, as amended. Further, the declaration and payment of final dividends, if any, will be recommended by the Board of Directors and approved by the shareholders of our Company, at their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013, as amended.

The following table sets forth, for the period indicated, the dividend per Equity Share and the total amount of dividends declared and paid on the Equity Shares.

Financial year	**Issued and paid-up share capital (number of shares)**	**Face Value of Equity Share (In ₹)**	**Interim dividend per Equity Share (In ₹)**	**Final dividend per Equity Share (In ₹)**	**Total amount of dividend paid* (In ₹ lacs)**	**Dividend Rate (%)**	**Dividend Distribution Tax, where applicable (in ₹ lacs)**
From April 01, 2024 till the date of the filing of the Placement Document	2,68,45,255	2.00	N.A.	-	-	-	N.A.
2023 - 2024	2,68,15,930	2.00	N.A.	2.00	536.32	100.00	N.A.
2022 - 2023	2,67,71,941	2.00	N.A.	1.20	321.26	60.00	N.A.
2021 - 2022	2,66,94,880	2.00	1.20	1.20	640.68	120.00	N.A.

* *includes declared and paid on shares issued between the declaration date and payment date, if any.*

Except as disclosed below, there are no dividends that have been declared but are yet to be paid out by the Company.

Financial year	Issued and paid-up share capital (number of shares)	Face Value of Equity Share (In ₹)	Interim dividend per Equity Share (In ₹)	Final dividend per Equity Share (In ₹)	Total amount of dividend declared but yet to be paid (In ₹ lacs)*	Dividend Rate (%)	Dividend Distribution Tax, where applicable (in ₹ lacs)
From April 01, 2024 till the date of the filing of the Placement Document	2,68,45,255	2.00	N.A.	2.00	536.91	100	N.A.

*As declared in the Board meeting dated May 20, 2024

There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of financial parameters including but not limited to net operating profit after tax, cash flow position of the Company and liquidity position, accumulated reserves, outstanding borrowings, debt to equity ratio, retained earnings, internal factors, *inter alia*, working capital requirements, capital expenditure requirements, business expansion and growth, acquisition including strategic acquisition, updation of technology and infrastructure, investment requirements of subsidiaries of the Company, external factors inter alia, macroeconomic and business conditions, past dividend and dividend payout ratios of peers, industry trend etc. and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared after Allotment.

Please also see the sections titled "*Risk Factors*" and "*Taxation*" on pages 37 and 177, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and operating performance as at and for the Fiscals 2024, 2023 and 2022 and should be read in conjunction with our Audited Consolidated Financial Statements.

Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular "Fiscal" are to the 12-month period ended March 31 of that fiscal year.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-Looking Statements" and "Risk Factors" on pages 13 and 37, respectively.

Unless otherwise indicated, industry and market data used in this section has been derived from the M&I Report, which have been exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue.

OVERVIEW

We are the only Asian company and globally among the top four manufacturers of Quartz Kitchen Sinks using Schock technology (Germany) (*Source: M&I Report*). Our product portfolio encompasses a wide range of offerings from Quartz kitchen sinks to Stainless Steel kitchen sinks, faucets, surfaces and food waste disposers. We cater to various needs in the kitchen. We also sell built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dishwashers, built-in ovens, microwave ovens, ice and coffee makers. We also offer a comprehensive selection of bathroom products, including water closets (WCs) and fittings. Our Company sells its kitchen products under the brand 'Carysil' and bathroom products under the brand 'Sternhagen'. Our Company sells its high value products featuring built-in kitchen appliances, under the brand 'Tekcarysil'.

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and TUV certifications for the development, manufacture and supply of composite quartz kitchen sinks, wash basin and tiles. Our Company's plastic sinks have also been certified by IAMPO Research and Testing, Inc. Our subsidiary, Carysil Steel Limited has obtained ISO 45001:2018, ISO 14001: 2015 and ISO 9001:2015 certifications for the manufacture of its stainless steel kitchen sinks.

Our revenue from foreign and domestic operations on consolidated basis, for Fiscals 2024, 2023 and 2022 are set out below:

(₹ in lakhs, except for percentage)

Particulars	Fiscal 2024	In %	Fiscal 2023	In %	Fiscal 2022	In %
Sale of products						
Exports	54,228.84	79.86	46,104.94	78.46	38,175.11	79.66%
Domestic	13,675.25	20.14	12,657.15	21.54	9,745.91	20.34%
Total	**67,904.09**	**100.00**	**58,762.09**	**100.00**	**47,921.02**	**100.00**

As on March 31, 2024, our Company is exporting to more than 55 countries with more than 80 customers across the globe. Further, as on March 31, 2024, our sales and revenues are geographically concentrated in the United States, the United Kingdom and India.

The details of our country wise revenue from operations, for Fiscals 2024, 2023 and 2022, on a consolidated basis, are set out below:

(*in ₹ in lakhs except for percentage*)

Country name	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	**% of sale of products**	**Amount**	**% of sale of products**	**Amount**	**% of sale of products**
United Kingdom	26,193.53	38.57%	23,188.32	39.46%	9,722.45	20.29%
United States of America	14,021.80	20.65%	8,301.83	14.13%	11,038.28	23.03%
India	13,675.25	20.14%	12,657.15	21.54%	9,745.90	20.34%

As on March 31, 2024, our Company has a dealer network of over 3,200 spread across India supported by more than 90 customers and 65 galleries operated by our Company's distributors across the country. We have five Company operated showrooms in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad.

The details of our segment wise revenues for the Fiscals 2024, 2023 and 2022, on a consolidated basis, are as follows:

(₹ in lakhs except for percentage)

Product Wise Revenue	**As of and for the financial year ended March 31, 2024**		**As of and for the financial year ended March 31, 2023**		**As of and for the financial year ended March 31, 2022**	
	Amount	**% of Total Sales of Products**	**Amount**	**% of Total Sales of Products**	**Amount**	**% of Total Sales of Products**
Quartz Sink	34,604.83	50.96%	31,539.54	53.67%	37,504.82	78.26%
Steel Sink	7,079.21	10.43%	7,010.59	11.93%	6,375.46	13.30%
Appliances & Others	7,999.95	11.78%	5,922.31	10.08%	4,040.74	8.44%
Surfaces/ Worktops	18,220.10	26.83%	14,289.65	24.32%	-	-
Total	**67,904.09**	**100.00%**	**58,762.09**	**100.00%**	**47,921.02**	**100.00%**

The Company has also entered into partnerships with global players and leading home retailers.

SIGNIFICANT FACTORS AFFECTING RESULTS OF OUR OPERATIONS

Fluctuations in exchange rates

Our revenue from outside India constituted 79.66%, 78.46%, 79.86% of our sale of products in Fiscals 2022, 2023 and 2024 respectively. Our export proceeds are denominated in GBP, EURO and U.S. Dollars for sales in the other jurisdictions where we sell our products. Further, we source our raw materials from multiple countries including China, Italy and Turkey. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials. We are exposed to exchange rate risk primarily due to payables in respect of our imported raw material and from receivables in respect of our exports, which are mainly denominated in foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations. Any gains or losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognized in the statement of profit and loss.

General economic and business conditions and government policies

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India, United Kingdom and USA. Any change in macro-economic conditions in the markets in which we operate, including changes in interest rates, inflationary pressures, government policies or taxation and political, economic or other developments, have been and will continue to be of importance in determining our operating results and future growth. If general economic conditions in India or other countries where we undertake our business deteriorate or are not in line with our expectations, or if there is an impact on our business different from our expectations, our financial condition and results of operation may be materially and adversely affected.

Cost and availability of raw materials and other inputs

Kitchen sinks, crafted from materials ranging from ceramic to stainless steel, are highly dependent on raw materials, often sourced on purchase orders. Any price fluctuations in these materials directly impact production costs. As material costs climb, so do production costs, inevitably leading to higher consumer prices. These elevated material prices dampen sales and squeeze vendors' profit margins.

The Cost of Goods Sold (COGS), which includes the cost of materials consumed, changes in inventory, and the purchase of stock-in-trade; our COGS as a percentage of revenue from operations, on a consolidated basis, was 46.05%, 50.93%, and 43.29% for the fiscal years 2024, 2023, and 2022, respectively.

The key raw materials required for our business are Quartz (Silica) MMA (Methyl Metha Acrylate), PMMA (Polymethyl methacrylate), Peroxide, Trim. Raw material prices may be affected by price volatility caused by various factors that affect the Indian and international commodity markets. In addition, our supply chain may be periodically disrupted by circumstances beyond our control, such as work stoppages and labour disputes affecting our suppliers, distributors and the transporters of our suppliers. Even though we factor in cost escalations, there may be unanticipated increase in input costs in excess of our estimates thereby adversely impacting our profitability.

Working capital requirements and access to capital resources

The nature of our business requires significant amounts towards working capital requirements. Our operations, liquidity and profitability are, in large part, dependent upon our timely access to capital and costs associated with raising capital. Our working capital requirements will increase as we grow our business. As on March 31, 2024, we fund our working capital requirements from current borrowings from banks and internal accruals.

Our working capital requirements tend to increase if contractual or sales terms do not include advance payments or if under such contractual arrangements, payment is stipulated at the time of delivery of the final product to our customer. Our working capital requirements will increase as we grow our business. As on March 31, 2024, we fund our working capital requirements from current borrowings from banks and internal accruals.

SIGNIFICANT ACCOUNTING POLICIES

Notes forming part of the consolidated financial statements for the year ended 31st March 2024

1.1 Material accounting policies:

a. System of accounting
The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013, except in case of significant uncertainties.

b. Key accounting estimates
The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Group.

c. Property, plant and equipment, Capital work in progress and Intangible Assets

(i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e., April 1, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

(iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.

(iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

(v) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

(vi) Intangible assets mainly represent goodwill, design and property rights and implementation cost for software and other application software of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure. Intangible assets are amortized over a useful period of life of the respective assets.

(vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

(viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

(ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

d. Goodwill on Consolidation

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any.

e. Investments and financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("**ECL**") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

f. Inventories

(i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.

(ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.

(iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

Cash and equivalents:

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

Other bank balances:

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

h. Trade receivables

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

i. Financial liabilities

(i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

k. Revenue recognition

(i) Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

(ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

(iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.

(iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.

(v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

l. Foreign currency transactions

(i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the Parent Company's functional and presentation currency.

(ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.

(iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

m. Employee benefit expenses

(i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Group has no further obligations beyond the monthly contributions.

(ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

(iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

(iv) Employee Share based Payments: The Parent Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognized as expense on a straight-line basis over the vesting period, based on the Holding Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Holding Company revises its estimate of number of equity shares expected to vest.

(v) Fair value of the ESOP granted to the employees of subsidiaries are considered as capital contribution by the Holding company on a straight-line basis over the vesting period which, will be adjusted by any recharge in the subsequent years by the subsidiaries.

n. Leases

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

o. Impairment of non-financial assets

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

p. Taxation

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the tax laws of the respective countries. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

q. Provisions and contingent liabilities

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

r. Earnings Per Share

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Group. The activities of the Group primarily fall under a single segment of "manufacturing and trading of kitchen sinks, bath products and other appliances" in accordance with the Ind AS 108 "Operating Segments".

t. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscal 2022, 2023 and 2024

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises (i) revenue from operations and (ii) other income.

Revenue from operations

Revenue from operations includes (i) Sale of products in India and Outside India; and (ii) other operating income – Export Incentive & Credits, and other operational income.

Other income

Other income primarily includes (i) interest income from fixed deposits and other interest income, gain on foreign currency fluctuation and (ii) other non-operating income including (a) net gain on sale of investments; and (d) miscellaneous income.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) labour; (iii) employee benefit expenses; (iv) finance cost; (v) depreciation and amortisation expense; and (vi) other expenses.

Cost of materials consumed

Our expenditure on materials consists of expenditure on raw materials, which primarily include Packing Material, Bought out Items etc., for consumption at our Manufacturing Facilities.

Manufacturing expenses

Manufacturing expenses include labour charges, electricity expenses, Store & spare, Machinery Repairs and other expenses.

Employee benefit expenses

Employee benefit expense comprises (i) salaries, wages and bonus; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

Finance costs

Finance cost comprises interest on borrowings, other interest expenses, bank guarantee commission.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses comprise (i) depreciation of property, plant and equipment; (ii) depreciation of investment properties; (iii) amortisation of intangible assets and (iv) depreciation of right of use assets.

Other expenses

Other expenses primarily comprise of (i) rent; (ii) rates and taxes; (iii) legal and professional charges; (iv) Travelling Expenses (v) office expenses (vi) other manufacturing expenses (vii) power & fuel (viii) advertisement & business promotion (ix) export freight & insurance.

OUR RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations, on a consolidated basis, for the Fiscals indicated:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ *lakhs*)	**% of total income**	**Amount (in ₹ *lakhs*)**	**% of total income**	**Amount (in ₹ *lakhs*)**	**% of total income**
Income						
Revenue from operations	68,375.78	99.22%	59,388.85	99.73%	48,390.14	97.96%
Other income	534.47	0.78%	159.01	0.27%	1,006.69	2.04%
Total income	**68,910.25**	**100%**	**59,547.86**	**100%**	**49,396.83**	**100%**
Expenses						
Cost of material consumed	27,273.22	39.58%	23,050.14	38.70%	19,156.73	38.78%
Purchases of stock-in-trade	7,045.22	10.22%	6,182.71	10.38%	5,564.27	11.26%
Changes in inventories	(2,831.76)	-4.11%	1,015.55	1.71%	(3,775.23)	-7.64%
Employee benefit expense	6,025.91	8.74%	4,485.99	7.53%	3,358.86	6.80%
Finance costs	2,085.21	3.03%	1,452.45	2.44%	958.64	1.94%
Depreciation and amortisation expenses	3,244.87	4.71%	2,635.64	4.43%	1,772.32	3.59%
Other expenses	17,989.70	26.11%	13,915.71	23.37%	13,753.19	27.84%
Total expenses	**60,832.37**	88.28%	**52,738.18**	**88.56%**	**40,788.78**	**82.57%**
Profit before tax	**8,077.88**	**11.72%**	**6,809.68**	**11.44%**	**8,608.05**	**17.43%**
Current tax	2,122.39	3.08%	1,546.69	2.60%	2,034.15	4.12%
Deferred tax	82.06	**0.12%**	60.56	0.10%	62.25	0.13%
Adjustment of tax of earlier years	37.13	**0.05%**	(80.62)	-0.14%	(14.00)	-0.03%
Total tax expense	**2,241.58**	**3.25%**	**1,526.63**	**2.56%**	**2,082.40**	**4.22%**
Profit after tax	**5,836.30**	**8.47%**	**5,283.05**	**8.87%**	**6,525.65**	**13.21%**

Fiscal 2024 compared to Fiscal 2023

Income

Our total income increased by 15.72% to ₹ 68,910.25 lakhs in Fiscal 2024 from ₹ 59,547.86 lakhs in Fiscal 2023.

Revenue from operations

Our revenue from operations increased by 15.13% to ₹ 68,375.78 lakhs in Fiscal 2024 from ₹ 59,388.85 lakhs in Fiscal 2023 primarily due to:

- Increase in export sales volumes
- Integration of newly acquired subsidiary company United Granite LLC USA w.e.f 20th October, 2023.
- Started production of appliance division with 3-4 models of chimneys etc.
- Expanded stainless steel sink capacity by 90,000 units p.a., totalling 180,000 units p.a.
- Started production for Faucet assembling line for 10,000 units p.a.
- Maximising market share globally as competitors face production cost challenges in Europe

Other income

Our other income increased by 236.12% to ₹ 534.47 lakhs in Fiscal 2024 from ₹ 159.01 lakhs in Fiscal 2023 primarily due to gain on foreign currency fluctuation.

Expenses

Our total expenses increased by 15.35% to ₹ 60,832.37 lakhs in Fiscal 2024 from ₹ 52,738.18 lakhs in Fiscal 2023.

Cost of Goods Sold

Our cost of goods sold consists of cost of material consumed, purchase of stock in trade and changes in inventories of finished goods, work in progress and stock in trade. The cost of goods sold increased by 4.09% to ₹ 31,486.68 Lakhs in Fiscal 2024 from ₹ 30,248.39 Lakhs in Fiscal 2023. This was primarily due to the increased sales volume and integration of newly acquired subsidiary company "United Granite LLC, USA".

Employee benefit expenses

Our employee benefit expenses increased by 34.33% to ₹ 6,025.91 lakhs in Fiscal 2024 from ₹ 4,485.99 lakhs in Fiscal 2023 primarily due to an increase in of employee headcount and annual salary increments.

Finance Costs

Our finance costs increased by 43.57% to ₹ 2,085.21 Lakhs in Fiscal 2024 from ₹ 1,452.45 Lakhs in Fiscal 2023, primarily due to increase in short-term borrowings by ₹ 4,099.92 Lakhs and increase in Term-Loans by ₹ 3,635.66 Lakhs.

Depreciation and Amortization Expenses

Our depreciation and amortization expense collectively increased by 23.11% to ₹ 3,244.87 lakhs in Fiscal 2024 from ₹ 2,635.64 lakhs in Fiscal 2023. This was primarily due to net addition of PPE by ₹ 6,087.86 Lakhs and Intangible asset by ₹ 4,487.00 Lakhs.

Other Expenses:

Our other expenses increased by 29.28% from ₹ 13,915.71 Lakhs in Fiscal 2023 to ₹ 17,989.70 Lakhs in Fiscal 2024 due to increase in other manufacturing expenses by 29.77% amounting to ₹ 1615.18 Lakhs; increase in sales commission by 294.83% amounting to ₹ 510.03 Lakhs; increase in advertisement and business promotion by 59.70% amounting to ₹ 759.94 Lakhs; increase in other selling expenses by 38.10% amounting to ₹ 366.34 Lakhs; increase in rent by 103.39% amounting to ₹ 269.04 Lakhs. The aforementioned increase was partially offset primarily by a decrease in Export and Freight Insurance amounting to ₹ 627.04 Lakhs.

Tax expenses

Our total tax expenses increased by ₹ 714.95 lakhs in Fiscal 2024 to ₹ 2,241.58 lakhs from ₹ 1,526.63 lakhs in Fiscal 2023 primarily due to increase in profit and increase in tax rate in UK.

Profit after tax

Our profit after tax increased by 10.47% from ₹ 5,283.05 Lakhs in Fiscal 2023 to ₹ 5,836.30 Lakhs in Fiscal 2024, primarily due to the increase in total revenue.

Fiscal 2023 compared to Fiscal 2022

Total income

Our total income increased by 20.55% to ₹ 59,547.86 lakhs in Fiscal 2023 from ₹ 49,396.83 lakhs in Fiscal 2022.

Revenue from Operations

Our revenue from operations increased by 22.73% to ₹ 59,388.85 lakhs in Fiscal 2023 from ₹ 48,390.14 lakhs in Fiscal 2022, primarily due to:

- Integration of newly acquired subsidiary Carysil Surface Ltd in the United Kingdom (formerly Sylmar Technology Ltd) w.e.f. 1st April, 2022

- Expanded product offerings in kitchen tops/surfaces
- Recovery in demand in Europe and the UK

Other income

Our other income decreased by 84.20 % to ₹ 159.01 lakhs in Fiscal 2023 from ₹ 1,006.69 lakhs in Fiscal 2022 primarily due to unfavourable foreign currency fluctuation.

Expenses

Our total expenses increased by 29.30% to ₹ 52,738.18 lakhs in Fiscal 2023 from ₹ 40,788.78 lakhs in Fiscal 2022.

Cost of Goods Sold

Our cost of goods sold consists of cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade. The cost of goods sold increased by 44.41% to ₹ 30,248.39 Lakhs in Fiscal 2023 from ₹ 20,945.77 Lakhs in Fiscal 2022. This was primarily due to proportionate increase in sales volume and increase in raw material and packing material cost.

Employee benefit expenses

Our employee benefit expenses increased by 33.56% to ₹ 4,485.99 lakhs in Fiscal 2023 from ₹ 3,358.86 lakhs in Fiscal 2022, primarily due to an increase in of employee headcount and annual salary increments.

Finance Costs

Our finance costs increased by 51.51% to ₹ 1,452.45 Lakhs in Fiscal 2023 from ₹ 958.64 Lakhs in Fiscal 2022, primarily due to increase in in short-term borrowings by ₹ 4,387.46 Lakhs and increase in Term-Loans by ₹ 3,972.63 Lakhs.

Depreciation and Amortization Expenses

Our depreciation and amortization expenses collectively increased by 48.71% to ₹ 2,635.64 Lakhs in Fiscal 2023 from ₹ 1,772.32 Lakhs in Fiscal 2022. This was primarily due to the additions in the Fiscal year amounting to ₹ 10,958.60 Lakhs. This mainly consisted of addition of land costing ₹ 796.54 Lakhs; addition of buildings amounting to ₹ 1,497.42 Lakhs; addition to plant and machinery amounting to ₹ 2,089.11 Lakhs; addition of moulds and dies amounting to ₹ 1,070.43 Lakhs; addition of furniture and fixtures amounting to ₹ 696.47 Lakhs; and addition of vehicles amounting to ₹ 239.66 Lakhs.

Other Expenses

Our other expenses increased by 1.18% from ₹ 13,753.19 Lakhs in Fiscal 2022 to ₹ 13,915.71 Lakhs in Fiscal 2023 due to a 12.37% increase in other manufacturing expenses amounting to ₹ 597.50 Lakhs; increase in Advertisements and Business Promotions by 52.31% amounting to ₹ 437.13 Lakhs; increase in Travelling expenses by 67.43% amounting to ₹ 278.06 Lakhs; increase in Loss on foreign currency fluctuations during the year by ₹ 241.39 Lakhs; increase in Legal and Professional fees by 90.50% amounting to ₹ 325.31 Lakhs. This was partially offset by a decrease in Power and Fuel by 19.32% amounting to ₹ 276.71 Lakhs; decrease in Stores and Spares by 27.87% amounting to ₹ 341.45 Lakhs; decrease in export freight and insurance by 48.96% amounting ₹ 2,431.70 Lakhs.

Tax expenses

Our tax expenses decreased by ₹ 555.77 lakhs from ₹ 2,082.40 lakhs in Fiscal 2022 to ₹ 1,526.63 lakhs in Fiscal 2023 due to decrease in profit before tax.

Profit after Tax

As a result of foregoing factors, our profit after tax decreased by 19.04% from ₹ 6,525.65 Lakhs in Fiscal 2022 to ₹ 5,283.05 Lakhs in Fiscal 2023.

INDEBTEDNESS

As of March 31, 2024, we had total outstanding borrowings of ₹ 29,821.44 lakhs on a consolidated basis. The table below sets forth the details of our outstanding borrowings as of March 31, 2024:

Category of borrowing	Outstanding amount as on March 31, 2024 (*in ₹ lakhs*)
Long Term Borrowings (A)	
Secured	11,466.09
Unsecured	
Total Long-Term Borrowings (A)	**11,466.09**
Short term borrowings (B)	
Secured	18,104.84
Unsecured	250.51
Total Short-Term Borrowings (B)	**18,355.35**
Total (A+B)	**29,821.44**

CONTINGENT LIABILITIES

The table below sets forth the principal components of our contingent liabilities as at March 31, 2024 as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets derived from the Fiscal 2024 Audited Consolidated Financial Statements:

Particulars	As at March 31, 2024 (*in ₹ lakhs*)
Other matters	45.33
Total	**45.33**

LIQUIDITY AND CAPITAL RESOURCES

Our primary liquidity requirements have been towards our working capital requirements. We have met these requirements from cash flows from operations, bank borrowings, client advances and internal accruals. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions.

Cash Flows

The following table sets forth certain information concerning our cash flows on a consolidated basis, for the periods indicated:

(in ₹ lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash flow from / (used in) operating activities (A)	5,783.71	7,116.18	5,164.01
Net cash flow from / (used in) investing activities (B)	(10,157.75)	(13,646.45)	(7,250.62)
Net cash flow from / (used in) financing activities (C)	4,839.33	6,411.88	1,840.73
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	465.29	(118.39)	(245.88)

Cash flow statement for Fiscal 2024

Operating Activities

Cash flow from operating activities was ₹ 5,783.71 Lakhs in Fiscal 2024. In Fiscal 2024, our Net profit for the year was ₹ 5,836.30 Lakhs. Primary adjustments consisted of depreciation and amortization expenses of ₹ 3,244.87 Lakhs and Finance Cost of ₹ 2,085.21 Lakhs.

Operating profit before working capital changes was ₹ 7,827.82 Lakhs in Fiscal 2024. The main working capital adjustments in Fiscal 2024 included increase in inventories of ₹ 4,261.12 Lakhs and increase in trade and other receivables of ₹ 3,405.55 Lakhs. This was partially offset by a decrease in other current and non-current assets amounting to ₹ 1,874.41 Lakhs.

Investing Activities

Net cash used in investing activities was ₹ 10,157.75 Lakhs in Fiscal 2024, primarily due to purchase of property, plant & equipment of ₹ 9,312.35 Lakhs, purchase of investments of ₹ 1,014.73 Lakhs. This was partially offset by sale of property, plant & equipment of ₹ 124.90 Lakhs, and interest received amounting to ₹ 44.43 Lakhs.

Financing Activities

Net cash flow from financing activities for Fiscal 2024 was ₹ 4,839.33 Lakhs, primarily on account of borrowings of ₹ 7,735.58 Lakhs, and proceeds from issue of share capital of ₹ 26.39 Lakhs. This was partially offset by payment of lease liabilities of ₹ 273.17 Lakhs, dividend paid to the owner of the Company amounting to ₹ 549.52 Lakhs and interest paid amounting to ₹ 2,099.95 Lakhs.

Cash flow statement for Fiscal 2023

Operating Activities

Cash flow from operating activities was ₹ 7,116.18 Lakhs in Fiscal 2023. In Fiscal 2023, our Net Profit for the Year was ₹ 5,283.05 Lakhs. Primary adjustments consisted of depreciation and amortization expenses of ₹ 2,635.64 Lakhs and Finance Cost of ₹ 1,452.45 Lakhs.

Operating profit before working capital changes was ₹ 5,776.13 Lakhs in Fiscal 2023. The main working capital adjustments in Fiscal 2024 included increase in inventories of ₹ 2,634.30 Lakhs and an increase in other current and non-current assets amounting to ₹ 1,355.20 Lakhs. This was partially offset by an increase in other current and non-current liabilities amounting to ₹ 2,011.49 Lakhs.

Investing Activities

Net cash used in investing activities was ₹ 13,646.45 Lakhs in Fiscal 2023, primarily due to purchase of property, plant & equipment of ₹ 5,787.85 Lakhs, Purchase of investments of ₹ 7,946.35 Lakhs. This was partially offset by sale of property, plant & equipment of ₹ 16.14 Lakhs, and interest received amounting to ₹ 71.79 Lakhs.

Financing Activities

Net cash flow from financing activities for Fiscal 2023 was ₹ 6,411.88 Lakhs, primarily on account of borrowings of ₹ 8,360.10 Lakhs, and proceeds from issue of share capital of ₹ 46.24 Lakhs. This was partially offset by payment of lease liabilities of ₹ 242.33 Lakhs, dividend paid to the owners of the Company amounting to ₹ 313.85 Lakhs and interest paid amounting to ₹ 1,438.28 Lakhs.

Cash flow statement for Fiscal 2022

Operating Activities

Cash flow from operating activities was ₹ 5,164.01 Lakhs in Fiscal 2022. In Fiscal 2022, our Net Profit for the year was ₹ 6,525.65 Lakhs. Primary adjustments consisted of depreciation and amortization expenses of ₹ 1,772.32 Lakhs and Finance Cost of ₹ 958.64 Lakhs.

Operating profit before working capital changes was ₹ 5,107.86 Lakhs in Fiscal 2022. The main working capital adjustments in Fiscal 2024 included increase in inventories of ₹ 4,967.68 Lakhs and an increase in other current and non-current assets amounting to ₹ 2,616.58 Lakhs. This was partially offset by an increase in trade and other payables amounting to ₹ 3,757.96 Lakhs.

Investing Activities

Net cash used in investing activities was ₹ 7,250.62 Lakhs in Fiscal 2022, primarily due to purchase of property, plant & equipment of ₹ 7,722.02 Lakhs. This was partially offset by sale of property, plant & equipment of ₹ 408.56 Lakhs, and interest received amounting to ₹ 62.84 Lakhs.

Financing Activities

Net cash flow from financing activities for Fiscal 2022 was ₹ 1,840.73 Lakhs, primarily on account of borrowings of ₹ 3,597.06 Lakhs. This was partially offset by payment of lease liabilities of ₹ 197.95 Lakhs, dividend paid to the owner of the Company amounting to ₹ 641.63 Lakhs and interest paid amounting to ₹ 954.27 Lakhs.

Off-Balance Sheet Commitments and Arrangements

Except as described in this Placement Document, we have no off-balance sheet commitments and arrangements that materially affect our financial condition or results of operations.

QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISK

We are exposed to risks that are related to the normal course of our operations such as market risk, credit risk and liquidity risk which may affect the value of our financial liabilities, our cash flows and our results of operations.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(a) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our long-term debt obligations with floating interest rates.

(b) Exposure in foreign currency

The Company deals with foreign currency loan given, trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales overseas and purchases from overseas suppliers in various foreign currencies

Unhedged			
Currency (amount in lakhs)	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Receivables			
USD	47.12	33.83	57.79
EUR	13.83	10.88	25.45
GBP	3.80	7.98	11.90
Payables			
USD	9.37	3.47	2.32
EUR	4.10	1.59	5.87

2. Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. We only deal with parties which has good credit rating/ worthiness given by external rating agencies or based on Company’s internal assessment.

Our customer profile includes 60 to 90 Days. General payment terms include a credit period ranging from 45 to 90 days. We have a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

3. Liquidity risk management

Liquidity risk refers to the risk that our Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Our Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Interest coverage ratio

Interest coverage ratio for the Fiscals 2024, 2023 and 2022 is set out below:

Financial Year ended on March 31, 2024:

(₹ in lacs, except ratio)

Particulars	For the year ended March 31, 2024
(A) Profit before tax	8,077.88
(B) Finance cost	2,085.21
(C) Adjusted profit (A+B)	10,163.09
(D) Finance cost	2,085.21
(E) Interest coverage ratio (times)(D/E)	**4.87**

Year ended on March 31, 2023:

(₹ in lacs, except ratio)

Particulars	For the year ended March 31, 2023
(A) Profit before tax	6,809.68
(B) Finance cost	1,452.45
(C) Adjusted profit (A+B)	8,262.13
(D) Finance cost	1,452.13
(E) Interest coverage ratio (times)(D/E)	**5.69**

Year ended on March 31, 2022:

(₹ in lacs, except ratio)

Particulars	For the year ended March 31, 2022
(A) Profit before tax	8,608.05
(B) Finance cost	958.64
(C) Adjusted profit (A+B)	9,566.69
(D) Finance cost	958.64
(E) Interest coverage ratio (times)(D/E)	**9.98**

Other qualitative factors

Unusual or Infrequent Events or Transactions

Except as described in this Placement Document, to our knowledge, there have been no events or transactions that may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in "*Significant Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 82 and 37, respectively. To our knowledge, except as described or anticipated in this Placement Document, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

New Products or Business Segments

Other than as disclosed in this section and in "*Our Business"* on page 125, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Future Relationship Between Cost and Income

Other than as described in this Placement Document, there are no known factors that might affect the future relationship between costs and revenues.

Competitive Conditions

We operate in a competitive environment. Please refer to "*Industry Overview*" and "*Our Business - Competition*" on pages 100 and 132, respectively, for further information on our industry and competition.

RESERVATIONS, QUALIFICATIONS, OR ADVERSE REMARKS OF OUR AUDITORS IN THE LAST FIVE FISCALS IMMEDIATELY PRECEDING THE YEAR OF THIS PLACEMENT DOCUMENT

There are no reservations, qualifications or adverse remarks of our Statutory Auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document. Further, except as set out below, there are no observation or remarks on report on other legal and regulatory requirements and emphasis of matters:

Fiscal	Name of Company	Details of observation or remarks on report on other legal and regulatory requirements and emphasis of matters	Details of impact on financial Statements and financial position of the Company, and corrective steps taken by the Company, if any	Corrective steps taken and/or proposed to be taken by the Company
2023	Carysil Limited (Holding company)	There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company except dividend of ₹ 6.29 lacs for 2014-15.	NA	Unpaid dividend for FY 2014-15 of ₹6.29 lacs is transferred to Investor Education and Protection Fund on June 30, 2023.
2020	Carysil Limited (Holding Company)	***Emphasis of matter*** In the last week of March 2020, an outbreak situation arose in India on account of COVID 19. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis. In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID 19 pandemic will impact the Company's operations and financial results will depend on future developments, which are highly	NA	The management closely monitored the material changes that may arise from this unprecedented situation and there was no major adverse impact on the operations of the Company.

Fiscal	Name of Company	Details of observation or remarks on report on other legal and regulatory requirements and emphasis of matters	Details of impact on financial Statements and financial position of the Company, and corrective steps taken by the Company, if any	Corrective steps taken and/or proposed to be taken by the Company
		uncertain, including, among other things, any new information concerning the severity of the COVID 19 outbreak and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. The impact on the operations and earnings/ cash flows of the Company due to COVID 19 outbreak may be assessed only after clarity on reopening of domestic and export customers manufacturing facility which may affect projection of estimated revenue from operations and earnings for the next year. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.		
2020	Carysil Steel Limited (Subsidiary Company)	***Emphasis of matter*** In the last week of March 2020, an outbreak situation arose in India on account of COVID 19. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis. In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID 19 pandemic will impact the Company's operations and financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID 19 outbreak and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.	NA	The management closely monitored the material changes that may arise from this unprecedented situation and there was no major adverse impact on the operations of the Company.

Fiscal	Name of Company	Details of observation or remarks on report on other legal and regulatory requirements and emphasis of matters	Details of impact on financial Statements and financial position of the Company, and corrective steps taken by the Company, if any	Corrective steps taken and/or proposed to be taken by the Company
		The impact on the operations and earnings/ cash flows of the Company due to COVID 19 outbreak may be assessed only after clarity on reopening of domestic and export customers manufacturing facility which may affect projection of estimated revenue from operations and earnings for the next year. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.		

SIGNIFICANT DEVELOPMENTS

No circumstances have arisen since March 31, 2024 that materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

INDUSTRY OVERVIEW

The industry-related information contained in this section is derived from the "*Custom Report-India Kitchen Sink and Other Related Markets (CY 2024-CY 2029)*" dated June 11, 2024 that has been prepared by Mordor ("**M&I Report**") appointed by our Company exclusively in connection with the Issue.

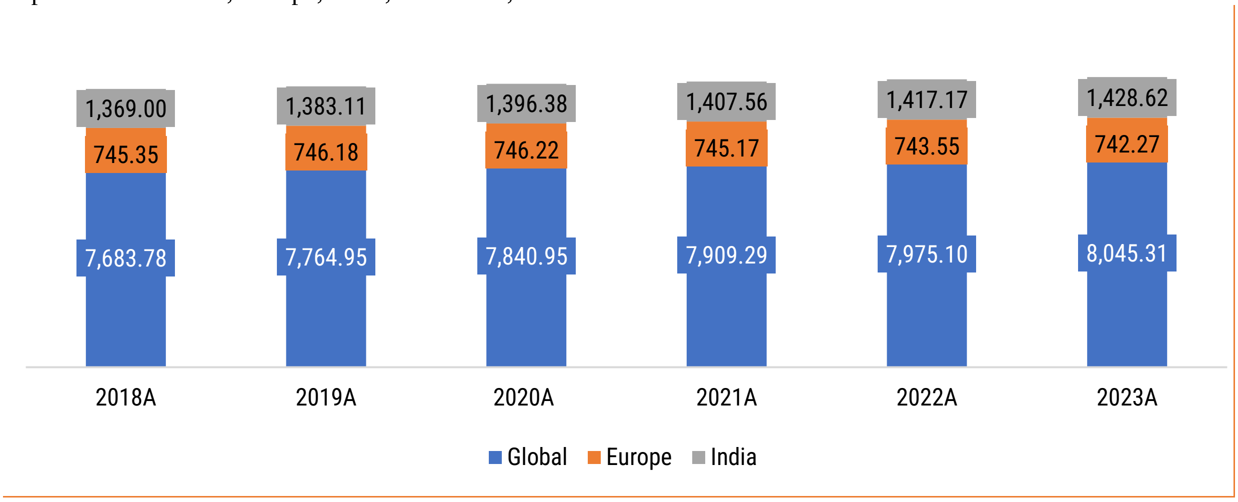
The M&I Report has been commissioned and paid for by our Company exclusively in connection with the Issue. The accuracy, completeness and the underlying assumptions of the sources generally believed to be reliable for the purposes of providing information in the M&I Report, are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in the M&I Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the M&I Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Market insights and dynamics of India kitchen sink and other related markets

Macroeconomic Trends

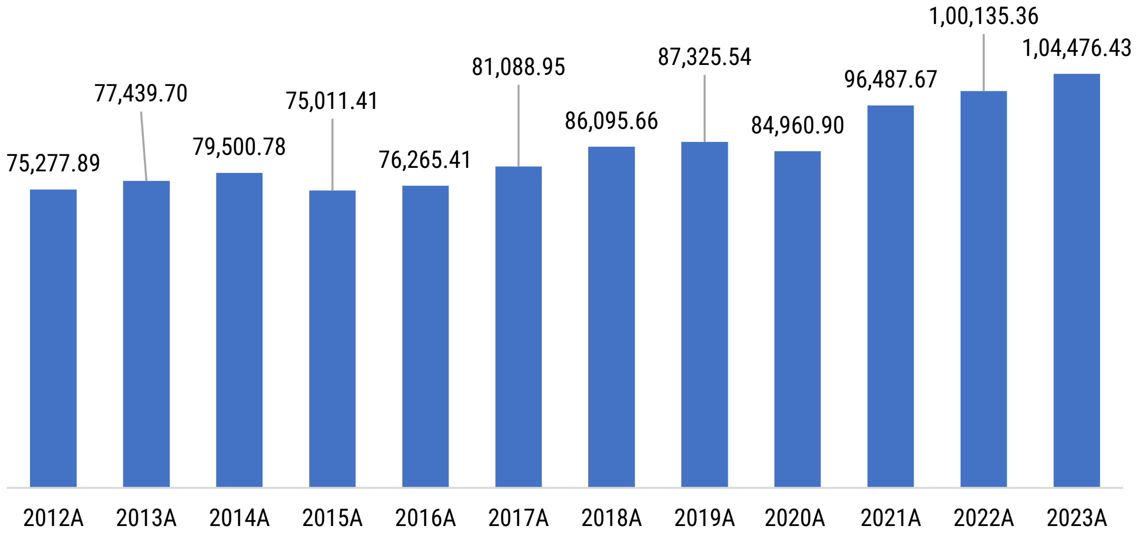
Comparison of major economic indicators (GDP, GDP per capita, population, employment, fiscal deficit, etc.) For India, Europe, Global

Population of Global, Europe, India, In Million, CY 2018-2023



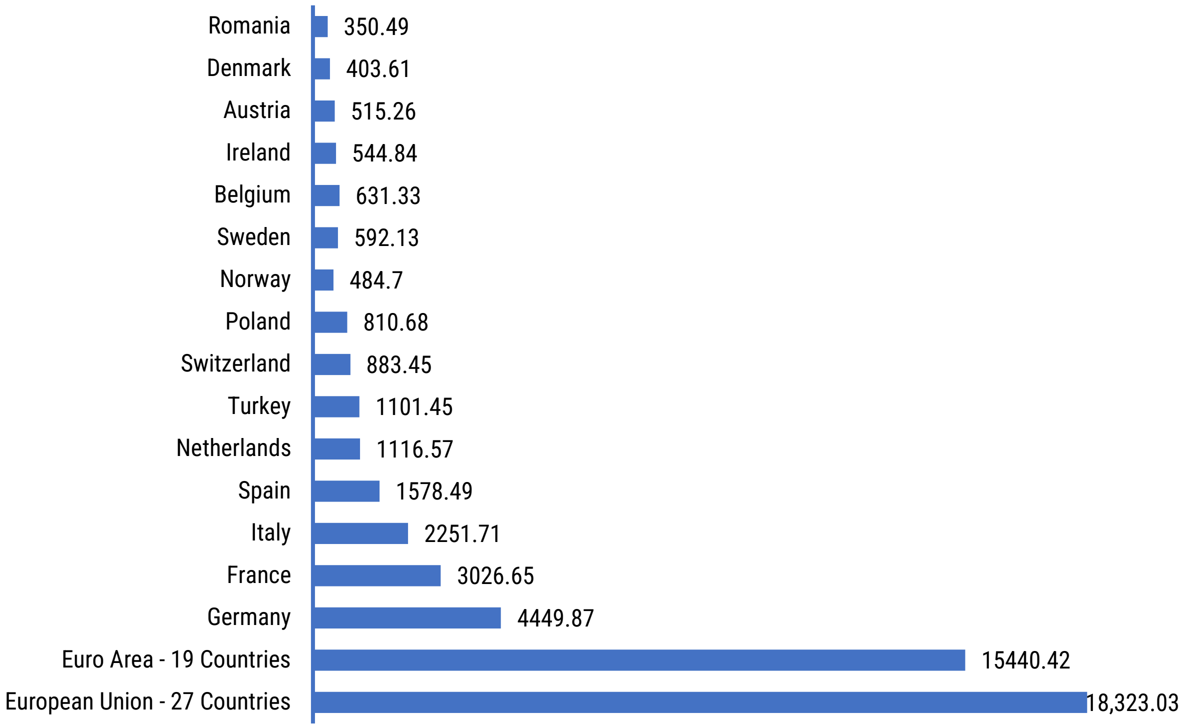
Source: World Bank

Gross Domestic Product (GDP) in Current Prices, in USD Billion, Global, CY 2012-2023



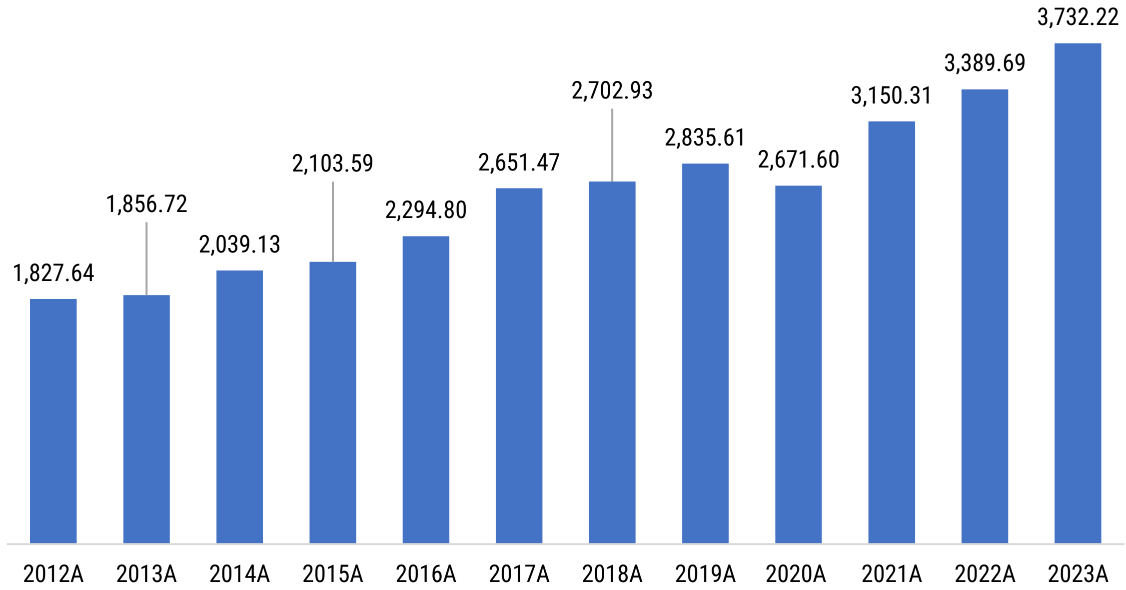
SOURCE: IMF

Gross Domestic Product (GDP) in Current Prices, in USD Billion, European Countries, CY 2023



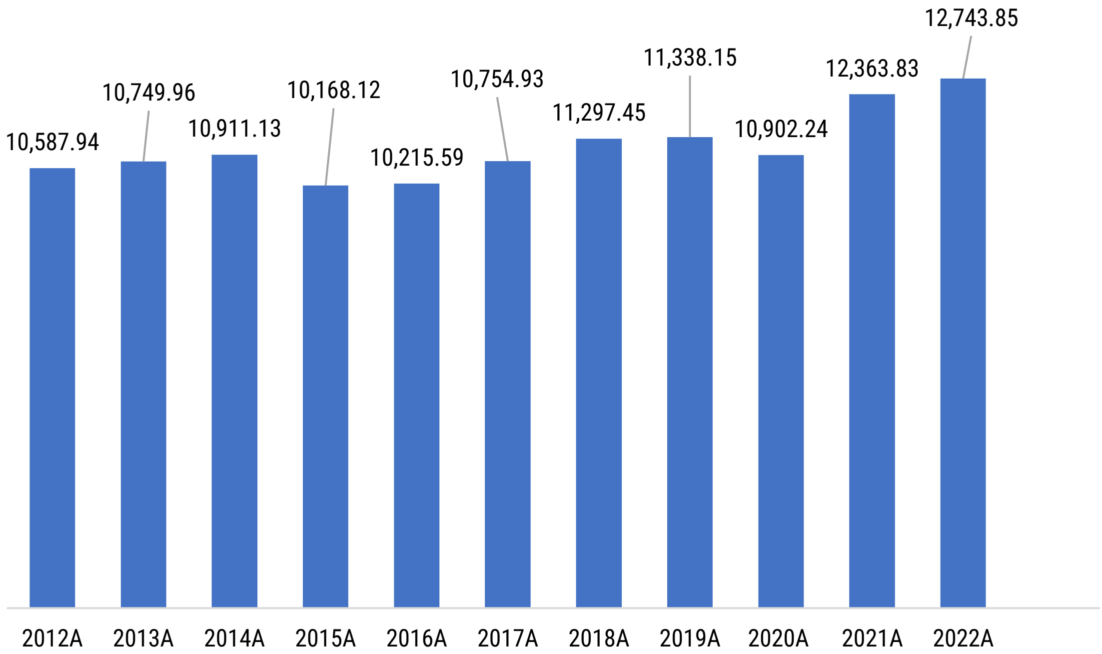
SOURCE: Eurostat

Gross Domestic Product (GDP) in Current Prices, In USD Billion, India, CY 2012-2023



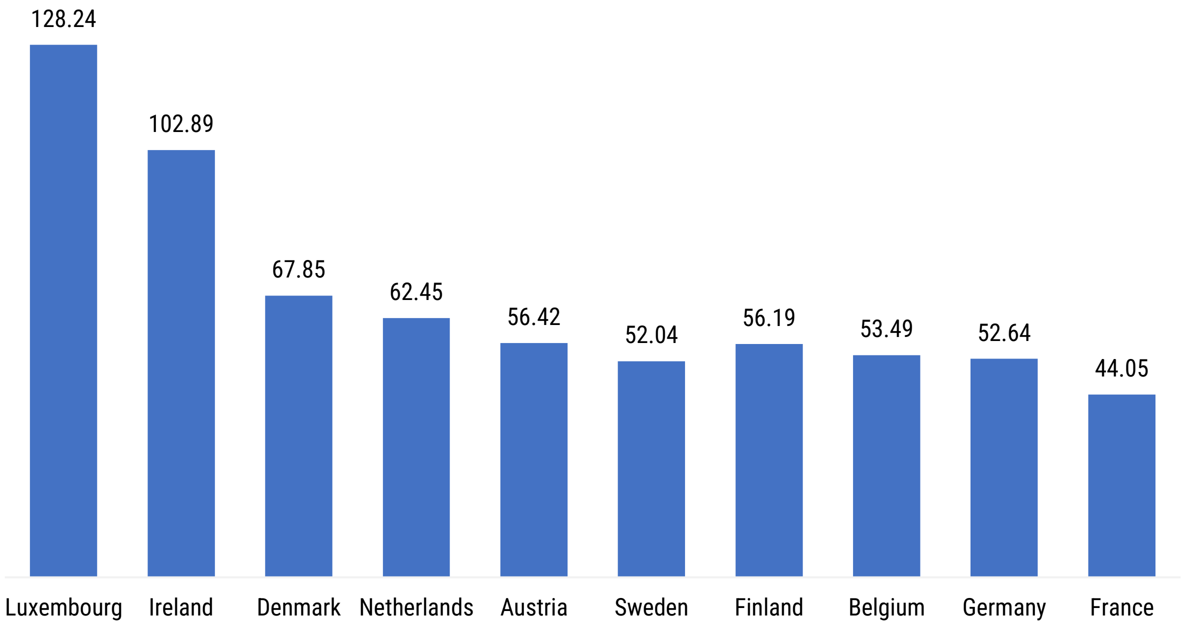
SOURCE: IMF

Gross Domestic Product (GDP) Per Capita, in USD, Global, CY 2012-2022



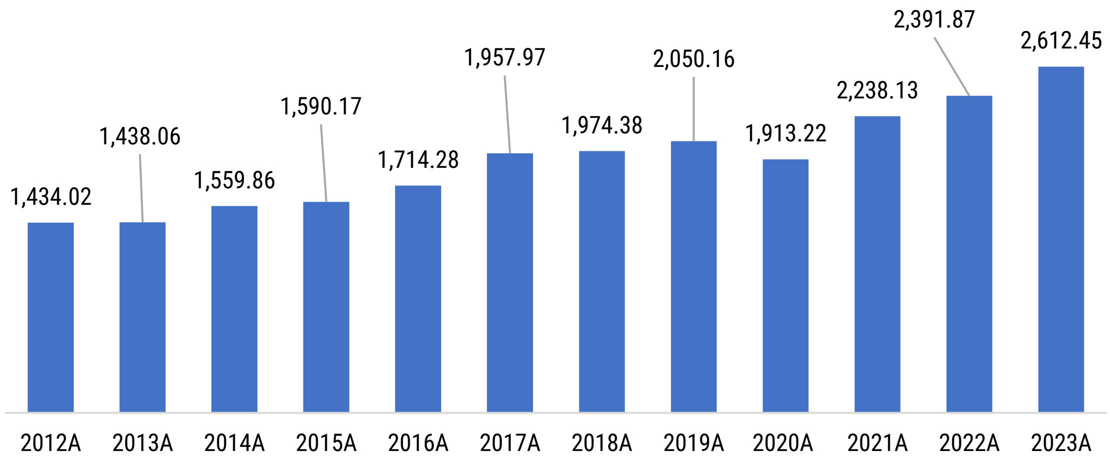
SOURCE: World Bank

Gross Domestic Product (GDP) Per Capita in the EU, in USD Thousand, By Top 10 Member States, CY 2023



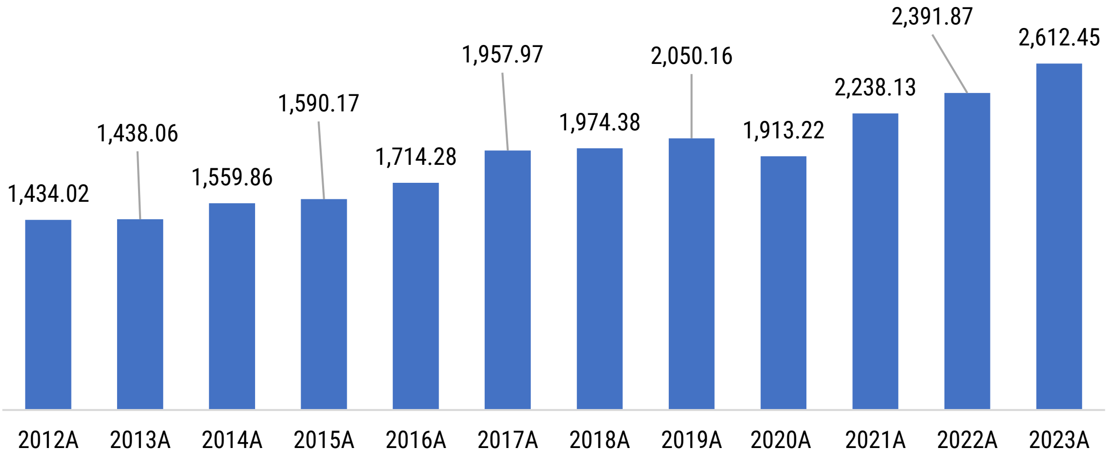
Source: Eurostat

Gross Domestic Product (GDP) Per Capita, in USD, INDIA, CY 2012-2023



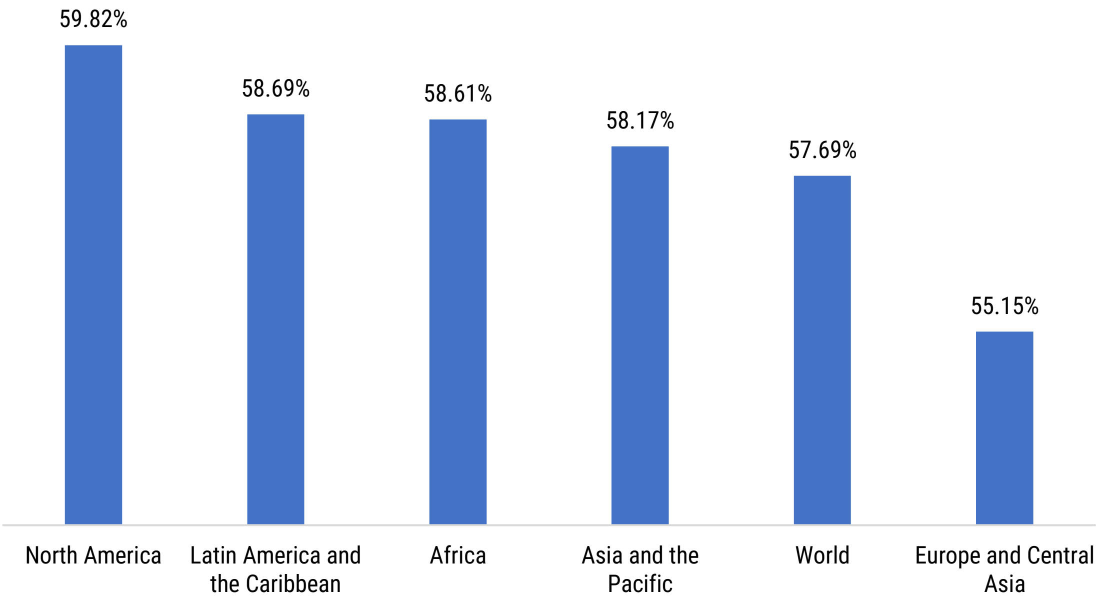
Source: Eurostat

Gross Domestic Product (GDP) Per Capita, in USD, INDIA, CY 2012-2023



Source: Eurostat

Estimated Employment-to-Population Ratio Worldwide In CY 2023, By Region



Source: International Labour Organization

In CY2023, the global employment-to-population ratio stood at around 58%, suggesting that nearly 60% of individuals aged 15 and above were part of the workforce. Northern America boasted the highest ratio at 59.8%, while Europe and Central Asia reported the lowest, at 55%.

Insights on Real Estate Trends in India

India's real estate sector, second only to agriculture, is the nation's second-highest employment generator. Projections suggest a growing interest from non-resident Indian (NRI) investors, both in the immediate and long term. Bengaluru is the top choice for NRI property investments, closely followed by Ahmedabad, Pune, Chennai, Goa, Delhi, and Dehradun.

Forecasts indicate that India's real estate sector is poised to expand to a substantial USD 5.8 trillion by CY 2047, a significant leap from its 7.3% GDP contribution in CY 2023 to an estimated 15.5%. The luxury home segment in India saw a remarkable surge, with sales spiking by 130% in the first half of CY 2023 compared to the same period in the previous year.

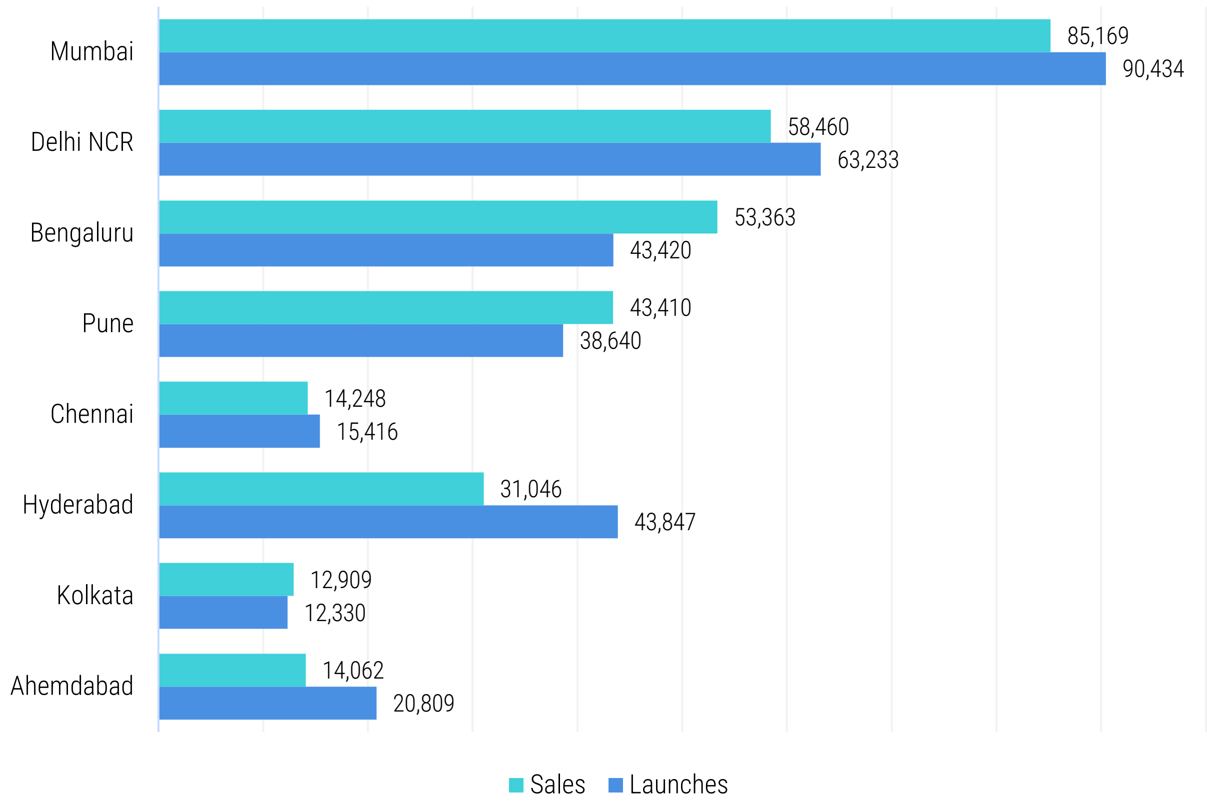
Notably, between January and June 2023, 6,900 luxury homes, priced at Rs. 4 crore (USD 488,011.96) and above, were sold, marking a substantial increase from the 3,000 sold in CY 2022. The Indian real estate sector is on track to hit the USD 1 trillion mark by CY 2030, with a GDP contribution of 13% in CY 2025. With the rapid pace of urbanization, India's urban population is anticipated to swell to 542.7 million by CY 2025 and further to 675.5 million by CY 2035. Highlighting its significance, the construction sector ranks as the third-largest recipient of Foreign Direct Investment (FDI). Cumulatively, FDI in the industry, encompassing construction development and related activities, totaled substantial USD 58.5 billion from April CY 2000 to September CY 2023.

Furthermore, the Indian government's 'Housing for All' initiative is poised to attract investments worth USD 1.3 trillion by CY 2025. During FY 23, India's residential property market witnessed a historic high, with home sales values hitting Rs. 3.47 lakh crore (USD 42 billion), marking a robust 48% year-on-year surge. The sales volume mirrored this growth, with a 36% rise, totaling 379,095 units sold. Home sales across India's top eight cities surged 68% year-on-year, reaching approximately 308,940 units in CY 2022, signaling a robust sector recovery. The central government's ambitious target of constructing 20 million affordable urban houses by CY 2022 under the Pradhan Mantri Awas Yojana (PMAY) scheme further underscored the residential sector's growth trajectory. Regarding hospitality, NCR and Mumbai lead the pack, closely followed by Bengaluru, Hyderabad, and Chennai. Noteworthy government initiatives to bolster tourism in tier II and III cities fuel rising hotel demand, particularly in the budget segment. Projections suggest adding 12,000 hotel rooms in CY 2023, with an expected CAGR of 3.3% in room numbers by CY 2025.

Increasing Investments

Driven by growing transparency and promising returns, private investments in the real estate sector are witnessing a surge. In CY 2023, private equity investments in India's real estate sector reached USD 4.2 billion. The sector saw a robust influx of private equity (PE) investments, totaling USD 1.92 billion in Q2 of CY 2023. Highlighting its allure, FDI in the real estate sector, including construction activities, amassed a substantial USD 58.5 billion from April 2000 to September 2023. Foreign institutional investments in India's real estate sector have notably tripled, with inflows totalling USD 26.6 billion between CY 2017 and CY 2022.

Cumulative Housing Sales and Launches in Top 8 Cities in India, CY 2022-23



Trends Shaping India's Real Estate Market

The burgeoning middle class primarily propels the Indian real estate sector. This shift, underscored by a notable surge in population and economic growth, has captivated industry experts and piqued the interest of investors, developers, and potential end-users. This surge is underpinned by urbanization, rising incomes, and improved educational access.

Shift in Consumer Housing Preferences: Remote work capabilities increasingly steer individuals towards suburban living, where they can secure more significant, affordable houses and a higher quality of life. Working from home has now eclipsed the traditional 'walk-to-work' ethos as the primary factor influencing settlement decisions. Research indicates that 43% of individuals are now inclined towards the suburbs in search of more spacious homes, while only 28% prefer city-centric housing near their workplaces. This heightened suburban demand has prompted manufacturers to ramp up new inventory production.

Embracing Technology: Technological integration reshapes residential spaces, elevating convenience, security, and comfort. Smart homes featuring IoT devices, AI assistants, and automation systems are setting new benchmarks, offering residents a futuristic living experience.

Rise of Luxury Housing: Luxury and premium housing have become the focal points of India's real estate landscape. These exclusive projects, replete with top-tier amenities, attract discerning buyers seeking unparalleled living standards. A recent study by India Sotheby's International Realty highlights a significant surge in affluent individuals eyeing luxury property investments in the coming years. The luxury real estate scene is evolving rapidly, influenced by changing demographics, heightened technological integration, and rising incomes. Millennials, buoyed by increasing affluence and urban lifestyles, are increasingly drawn to luxury homes. The potential for high returns and substantial rental incomes further accentuates the allure. Notably, luxury home sales in India surged by 130% in the first half of CY 2023 compared to the previous year.

Shift Towards Homeownership Amidst the Pandemic: The COVID-19 pandemic has reshaped societal attitudes, with a notable shift towards homeownership. Many now prioritize owning a home over renting, recognizing the benefits of having dedicated spaces for work, study, and leisure. This shift underscores a growing appreciation for the security and stability of owning a home, especially during uncertain times. In FY22, Indian banks disbursed an estimated 2 trillion Indian rupees in housing loans, mirroring pre-pandemic levels and signalling a resurgence in homebuyer confidence as more Indians turned to property ownership.

Rise of Tier 2 Cities in India's Real Estate Landscape: Post-pandemic, individuals have reevaluated their living choices, with many seeking stabilities in their hometowns. This trend has propelled Tier 2 cities into the spotlight as burgeoning real estate hubs. These cities are witnessing a surge in investments, leading to significant transformations in their property markets. Bolstered by a buoyant housing sector, Tier 2 cities are expanding their infrastructures rapidly, offering diverse residential and commercial opportunities. Additionally, the government's emphasis on smart cities further fuels real estate growth, which is evident in its decision to permit 100% FDI in township and settlement development projects.

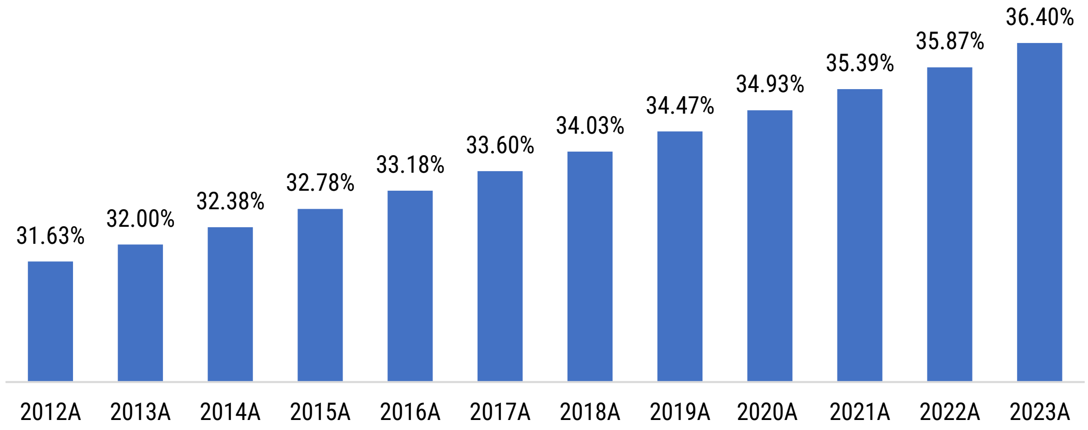
Real Estate Momentum in Tier 2 Cities: Notably, the real estate markets of Tier 2 cities are now on par with their Tier 1 counterparts. For example, as of the fiscal year 2021-22, Ahmedabad's residential real estate market, valued at INR 83,390 crores, has surpassed market sizes in Tier 1 cities like Kolkata (INR 38,440 crores) and Chennai (INR 52,554 crores). This growth trend resonates in Tier 2 cities like Nashik, Jaipur, Vadodara, and Gandhinagar.

Market Drivers

Rising Urbanisation Is Driving The Market

In CY 2023, approximately a third of the total population in India lived in cities. The trend shows an increase in urbanization by 6% in the last decade, meaning people have moved away from rural areas to find work and make a living in the cities. There are several factors at play that have led to urbanization in India – population growth and migration as one of the 2 major factors. Recently, a third factor has been seen as a huge contributor to urbanization growth: the expansion of towns and cities. This factor is due to the high economic growth that the city has witnessed over the years. Because of this, the government in India has decided to grab the opportunity to further thrust the country into urbanization, and several smart cities will be put up in various locations, along with various other initiatives, to achieve this objective. This increase in smart cities is driving the demand for modular kitchens as well as cost-effective kitchens for new homeowners. Also, changing lifestyle preferences, such as a growing trend towards modular and open kitchens, are boosting demand for built-in kitchen appliances. Consumers are increasingly looking for products that are not only functional but also aesthetically pleasing and can enhance the overall look of their kitchen. The rise of kitchen sinks and built-in appliances is growing as urbanization is increasing in India. One more factor driving the kitchen sinks market is the penetration of brands in rural areas and towns. Thus, manufacturers are focusing on innovation and introducing advanced features to cater to evolving consumer demands, further fuelling the growth of the built-in kitchen appliances market in India.

Degree of Urbanization Share (%), India, CY 2012 – 2023



Increased Spending on Home Decor and Adoption of Products in the Commercial Sector

Kitchen sinks are normally used for washing utensils. A kitchen sink is one of the core components of every kitchen, which plays a big role in kitchen decor rather than a utility platform in the kitchen cabinet design when the kitchen is going to be modular. Increasing construction activities, rise in access to clean water and sanitation facilities in India, and the increasing number of renovation projects in developed regions have boosted the demand for kitchen sinks, countertops, and built-in appliances. Increasing per capita spending on home decor products and adoption of the Western lifestyle, along with the rise in the standard of living, have shifted consumer interest toward attractive home decor and modern equipped kitchens, which is expected to expand the demand for kitchen sinks during the forecast period. In addition, the expanding commercial sector, especially hotels and restaurants, has also increased the demand for kitchen sinks across the country. Over the past few years, the desire to make more furnished, attractive houses and the renovation of old traditional kitchens with modern equipment and facilities have pushed the demand for water sinks in the market.

Rising Adoption of 2-Bowl Kitchen Sinks

Prominent companies in the kitchen sink market are coming up with new innovative products, such as 2-bowl and 3-bowl kitchen sinks that help with multitasking and save time. The increasing number of nuclear families and the rise in the demand for the number of sink bowls for cleaning and washing purposes are attracting consumers. 2-bowl and 3-bowl sinks are mostly preferred by offices, restaurants, and hotels, as they help clean utensils faster and more easily. The demand for multi-bowl sinks was primarily high in commercial places but is now gaining attraction in household kitchens, too. Moreover, the increasing popularity of double-bowl sinks and three-bowl sinks to multitask has boosted the growth of the kitchen sink market in India.

Rising Refurbishments Projects

Refurbishments are also a key demand driver in the industry, particularly for countertop installations in kitchens and bathrooms. The growth of the countertops market is driven by a number of factors. Given the scale of construction in the country, one of the most significant reasons is new residential construction. Homeowners in India have also begun to spend more on home remodelling projects, particularly in kitchens and bathrooms, and are considering reinstalling countertops to refresh spaces. Refurbishment activities in serviced apartments and the hospitality sector are also gaining traction in the market, which will likely give the segment a boost.

Market Restraints

Lack of Awareness Among Consumers in India

Despite a surge in the Indian built-in kitchen appliances market, driven by rising disposable incomes and the urban trend towards modular kitchens, growth is hampered by a lack of consumer awareness. Indian buyers often favor traditional freestanding appliances, unaware of built-in options' space-saving and energy-efficient benefits. Moreover, the perceived high installation and maintenance costs further dissuade potential buyers. Targeted marketing and educational campaigns are pivotal in bridging this awareness gap, paving the way for enhanced market growth.

Changing Raw Material Prices Poses a Significant Challenge to the India Kitchen Sink and Countertop Market

Kitchen sinks, crafted from materials ranging from ceramic to stainless steel, are highly dependent on raw materials, often sourced on purchase orders. Any price fluctuations in these materials directly impact production costs.

As material costs climb, so do production costs, inevitably leading to higher consumer prices. These elevated material prices dampen sales and squeeze vendors' profit margins. Additionally, the need for regular maintenance further escalates the total cost of ownership, compounding vendors' margin pressures. Even in favorable conditions, countertop manufacturers' raw material costs remain a concern. Recent upticks in major raw material prices, especially in engineering quartz stone, suggest a continued rise in the near term, potentially restraining market growth. Given that raw materials constitute over half of operating costs, any price hikes in these commodities significantly impact company profitability and resilience. Consequently, tightening supply markets are directly influencing raw material pricing.

These challenges are poised to impede market growth in the coming years.

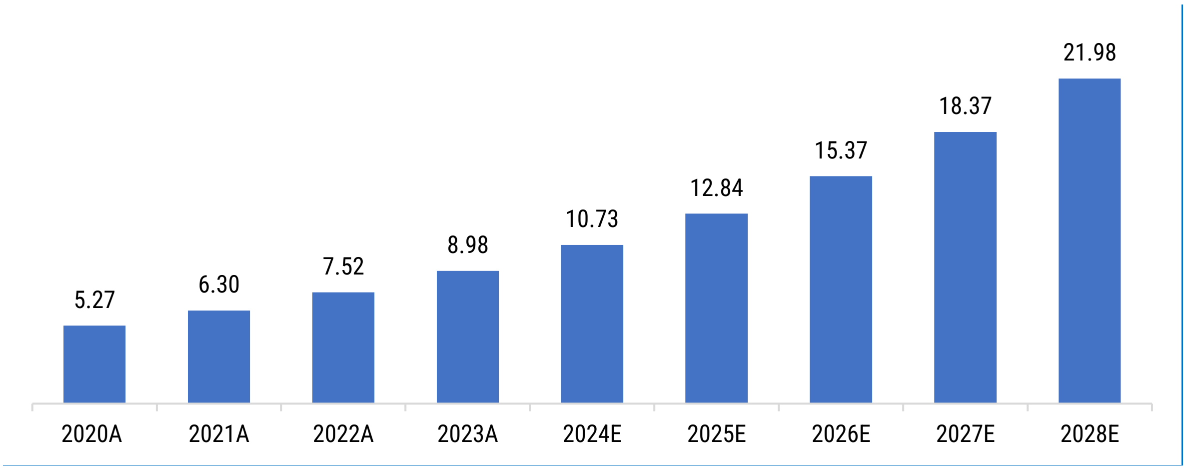
Market Opportunities

Increase in the Usage of Smart Homes is Driving the Market

The smart home built-in appliances market is witnessing robust growth, propelled by the global surge in smart homes, advancements in home automation, and a growing preference for home-cooked meals. Moreover, the uptick in home renovation projects, particularly in the Western regions, is fuelling the adoption of smart appliances. Thanks to added functionalities, these appliances are increasingly user-friendly, making them more appealing to consumers. India's smart home market is still in its infancy but is poised for remarkable growth in the upcoming years. Major Indian cities like Bangalore, Delhi, Mumbai, and Pune lead in smart home adoption, constituting the bulk of the market.

Smart kitchen sinks, controllable via smartphones or tablets, are gaining traction globally in residential and commercial settings. Intelligent sensors and enhanced convenience are critical drivers for the rising interest in smart kitchen sinks. Additionally, the surge in smart homes, especially those featuring modular kitchens, bolsters the demand for these sinks in India. Technological strides, such as IoT integration in kitchen appliances (e.g., AI-powered refrigerators), combined with the region's rising disposable incomes, notably in the North, are propelling market growth. Shifting lifestyles, time constraints, and a focus on kitchen efficiency amplify the demand for smart kitchen sinks. As part of the 'Make in India' initiative, the government is slashing customs duties on telecommunication devices to bolster the electronics manufacturing sector. This move is expected to further catalyze growth in India's smart home kitchen sinks market.

Smart Home Penetration Rate In %, India, CY 2020- CY2028



Source: Digital Market Outlook (Statista)

Rising Millennials Population Will Create Opportunities for New Design Countertops

The countertops market is one of the fastest growing in India, driven by rising demand for Modular Kitchens. With an ever-increasing urban population and higher disposable income, an increasing number of people are looking to invest in better homes that include well-equipped kitchens. These kitchens are becoming increasingly popular among homeowners because they combine functional and aesthetic elements. With 34% (440 million) of the country's total population, India has one of the largest millennial populations. Together with GenZ, they are estimated to comprise 50 percent of India's population by CY 2030.They may be young, but they are already the primary wage earners in most households, accounting for 70% of total household income. Unsurprisingly, this tidal wave of youth is driving economic transformation. The consumer preferences of this generation will drive the growth of the countertop industry for many years to come. Millennials are driving the smartphone revolution, spending an average of 17 hours per week online. As internet penetration increases, the younger generation will look for aesthetically pleasing designs on countertops and other surfaces.

Insights Into The Latest Trends and Technological Innovations In The Market

Innovations In The Market

Incorporating Technology Into Kitchen Counterparts: The modern kitchen, a culinary innovation, is now marrying the art of cooking with cutting-edge technology. As people march into the future, the infusion of technology into kitchen countertops is reshaping how they cook, offering homeowners unparalleled convenience, efficiency, and hygiene.

Smart Surfaces: Pioneering the Culinary Landscape: Brimming with touch-sensitive controls and digital displays, these countertops are not just countertops anymore. They can project recipes, convert measurements, and even directly command smart kitchen appliances. A simple touch activates integrated scales for precise measurements or grants access to a library of culinary guidance, from written instructions to video tutorials.

Seamless Integration of Cooking Elements: Induction cooking elements seamlessly integrated into countertops mark a revolution in kitchen design. These elements, invisible when not in use, maintain the countertop's sleek look. By enabling direct heating of pots and pans, they eliminate the need for a traditional stovetop, crafting a streamlined and versatile workspace. This saves space and boosts safety, confining heat to cookware and reducing burn risks.

Hygiene Reinforced: Self-Cleaning and Antimicrobial Features: Hygiene is non-negotiable in the kitchen, and technology is here to bolster it. Countertops now come infused with self-cleaning tech and antimicrobial materials, ensuring a sterile food prep zone. Leveraging UV light, these surfaces autonomously disinfect, breaking down organic matter and eradicating harmful microorganisms. Furthermore, materials like copper and silver, lauded for their natural antimicrobial traits, are finding their way into countertop compositions, offering continuous, passive sanitation.

Enhanced Safety with Sensory Technology: Countertops with sensory tech elevate kitchen safety. Thermal sensors can detect and alert homeowners to hot items left on the countertop, averting potential mishaps. Meanwhile, spill sensors promptly notify users of any spills, ensuring quick cleanups and safeguarding the countertop from damage, thus fostering a cleaner cooking environment.

Wireless Charging: Keeping Pace with the Digital Age: As people's lives intertwine with technology, the kitchen isn't left behind. Countertops now feature integrated wireless charging stations, ensuring devices remain powered without cluttering the space with cords. Whether users are following a recipe on a tablet or keeping their phones charged and within arm's reach for calls, these charging stations ensure their devices are always primed, seamlessly blending tech convenience with culinary pursuits. From touchscreen guidance for recipes to built-in wireless charging pads and USB ports, the modern kitchen has evolved into a digital connectivity hub. Intelligent surfaces may even boast temperature controls for cooking or interactive displays for entertainment and productivity.

The Rise Of Innovative Kitchen Materials; Today's kitchen design isn't just about looks; it's about combining aesthetics with durability and sustainability. Innovative kitchen materials are leading the charge, meeting modern kitchens' demands of style and practicality. The highlight of current kitchen trends is quartz countertops, which offer a sleek look and are very resistant to stains. This blend of sophistication and functionality makes them suitable for combating daily wear and tear. Additionally, cabinets fashioned from recycled materials add to the sustainability narrative and resonate with eco-conscious consumers.

The Growing Embrace Of Energy-Efficient Kitchens: In today's kitchen design, energy efficiency isn't a luxury but a necessity. The 'Energy-Efficient Everything' approach, which covers appliances, lighting, and sustainable materials, is at the forefront of the green revolution sweeping through kitchens. Beyond appliances and lighting, eco-friendly materials underscore a dedication to an environmentally aware kitchen. From cabinets to countertops, opting for sustainable materials lessens the kitchen's ecological footprint and promises significant energy bill savings in the long run. The push for energy efficiency in kitchens is not just about being environmentally responsible; it's a strategic shift towards a more sustainable and financially prudent kitchen. Embracing 'Energy-Efficient Everything' isn't a fad; it's a pivotal move toward a greener, more efficient, cost-effective culinary space. A revolution is underway in India's kitchen sink sector as it evolves from a basic necessity to a focal point of design innovation and tech integration.

Integrated Workstation Sinks: These sinks go beyond mere dishwashing. They sport built-in accessories like cutting boards, colanders, and ice buckets. Their allure lies in their versatility, seamlessly merging prep, cooking, and cleaning stations into one.

Smart Sinks: Smart sinks combine convenience with cutting-edge technology. For instance, they allow users to control the sink with a simple gesture or voice command. These sinks boast features like pull-out faucets with customizable flows, temperature-regulated water, and even automatic cup washers. Brands such as Ruhe are at the forefront, offering tech-savvy homeowners a range of smart sink options.

Natural Materials: With sustainability in the limelight, natural materials are taking the kitchen sink market by storm. Stone, granite, and composite sinks aren't just environmentally friendly but durable and visually appealing. Their textures and colors bring a warm, earthy element to kitchens, elevating the sink to a natural focal point. Key players operating in the market are taking notable steps towards sustainability and setting new standards in eco-conscious designs. For Instance, Carysil Limited offers Green Sink Charcoal, the first-ever sink crafted entirely from bio-based fillers and natural pigments. Other notable features include: Utilizes a blend of 25% recycled resin and 75% Bio-based coated natural pigment Composite Quartz Boasts natural color pigments sourced from spinach, beetroot, and charcoal. Designed for reduced water consumption, enhancing sustainability.

Colorful Sinks: CY 2024 sees a burst of color in kitchen sinks. Deep blues, rich greens, and even bold pinks are finding their way into kitchens, offering a playful way to infuse character into space. These colorful sinks can stand out as a vibrant accent in a monochrome kitchen or blend seamlessly in a more eclectic setting.

Minimalist Designs: The trend of minimalist sink designs is rising, emphasizing simplicity. Clean lines, smooth finishes, and a clutter-free look define this aesthetic. These sinks prioritize functionality and a clean appearance, fostering a serene and spacious ambiance in the kitchen. Many minimalist sinks opt for under-mount installation, not just for aesthetics but also for easier maintenance.

Touchless Faucets Promote Hygiene: Touchless faucets are gaining widespread traction in response to heightened health concerns. Outfitted with motion sensors, these faucets allow water to flow without physical contact. This hands-free feature curbs germ transmission and adds convenience, especially during kitchen tasks. Some advanced models even boast smart temperature controls, ensuring safety and comfort.

Functional Sink Covers: Kitchen efficiency meets style with multifunctional sink covers. These covers double up as cutting boards or drying racks, seamlessly blending into the kitchen's look. Crafted from materials like wood, glass, or matching countertops, they offer extra prep space and serve as a sleek temporary counter when the sink is idle.

Enhanced Illumination with Integrated LED Lighting: Integrated LED lighting isn't just about aesthetics; it's a functional addition to the kitchen. From accentuating the sink's interior to casting a soft glow around its edges, LED lighting modernizes the kitchen and boosts the sink's usability, day or night.

Eco-Conscious Water-

Saving Sinks: With a growing focus on sustainability, the demand for water-saving sinks is rising. These sinks feature innovative elements like flow regulators, dual spray functions, and greywater recycling systems. By balancing water conservation with performance, these sinks cater to environmentally conscious homeowners who value kitchen efficiency without compromising eco-friendliness. **Artisanal Sinks for Personalized**

Charm: The trend of artisanal and handcrafted sinks underscores a shift towards personalized design. These sinks are helpful and bespoke art pieces, from hand-hammered metal basins to custom ceramic or glass creations. This trend allows homeowners to showcase their uniqueness and elevate their kitchen's aesthetic with personalized touches.

Market Segmentation

India and Global Kitchen Sink Market

Value in USD Million, India and Global Kitchen Sink Market, CY2020 – 2029

	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	CAGR (%) (CY2023-2029)
Global Kitchen Sink Market	3,123.44	3,430.24	3,601.58	3,771.81	4,012.43	4,302.22	4,654.10	5,085.17	5,616.11	6,269.73	8.84%
Global Stainless Steel Sink Kitchen Market	2,578.20	2,788.76	2,858.34	2,907.06	2,992.19	3,089.03	3,200.06	3,328.77	3,478.21	3,648.55	3.86%
Global Quartz Kitchen Sink Market	318.02	389.25	478.04	589.08	728.42	903.87	1,125.56	1,406.69	1,764.47	2,221.47	24.76 %
India Kitchen Sink Market	173.42	187.46	204.34	221.50	242.10	265.10	290.76	319.34	351.31	387.21	9.76%
India Stainless Steel Sink Kitchen Market	149.29	160.54	174.07	187.71	204.06	222.25	242.45	264.86	289.81	317.71	9.17%
India Quartz Kitchen Sink Market	14.29	15.85	17.72	19.71	22.04	24.69	27.70	31.13	35.03	39.50	12.28 %

Source: Mordor Intelligence

Volume In Million Units, India And Global Kitchen Sink Market, CY 2020-2029

	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	CAGR (%) (CY2023-2029)
Global Kitchen Sink Market	31.35	34.05	34.99	35.53	36.26	38.13	40.68	43.95	48.13	53.43	7.03%
Global Stainless Steel Sink Kitchen Market	27.38	29.30	29.43	29.08	28.78	29.21	29.94	30.90	32.12	33.63	2.45%
Global Quartz Kitchen Sink Market	2.70	3.28	3.97	4.78	5.71	6.99	8.65	10.77	13.50	17.04	23.61%
India Kitchen Sink Market	3.62	3.76	3.90	4.05	4.31	4.57	4.86	5.19	5.56	5.97	6.70%
India Stainless Steel Sink Kitchen Market	3.30	3.42	3.54	3.66	3.89	4.11	4.37	4.65	4.96	5.32	6.42%

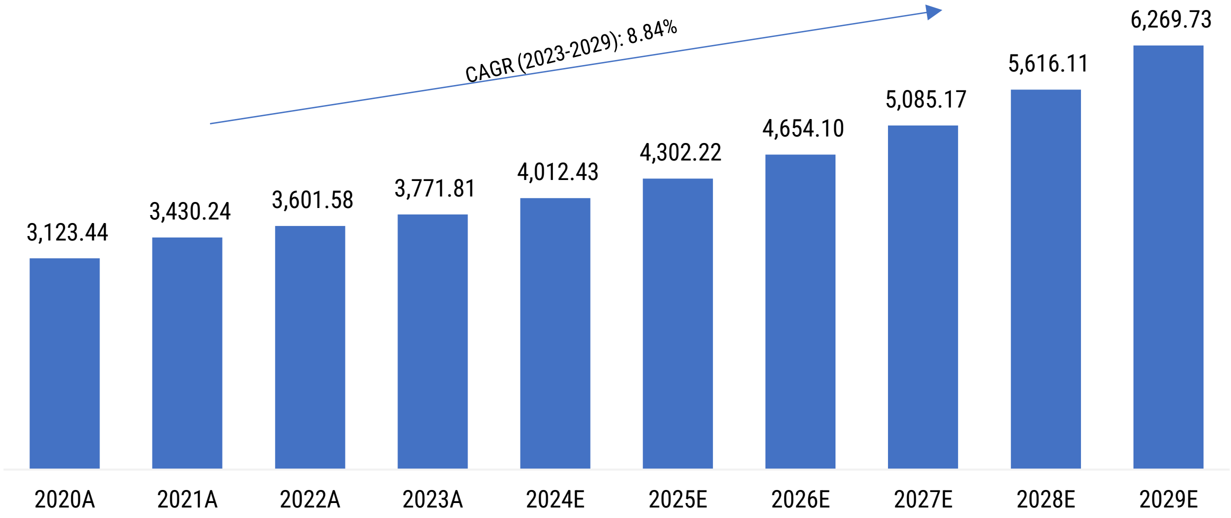
India Quartz Kitchen Sink Market	0.13	0.14	0.15	0.16	0.18	0.20	0.22	0.24	0.27	0.30	10.59%

India and Global Kitchen Sink Market

Global Kitchen Sink Market

The global kitchen sink market studied was valued at USD 3,771.81 million in CY 2023 and is expected to reach USD 6,269.73 million by CY 2029, witnessing a CAGR of 8.84% during the forecast period (2023-2029).

Value In USD Million, Global Kitchen Sink Market 2020-2029, CAGR (CY2023 To CY2029): 8.84%



The global kitchen sink market is witnessing significant trends and dynamics that are shaping its growth:

Urbanization and Housing Developments Fuel Demand: Rapid urbanization and increasing housing projects worldwide are boosting the need for kitchen sinks. For instance, over 56% of the global population currently resides in urban areas, a figure projected to surpass double its current size by CY 2050. Therefore, homeowners, spurred by new constructions and renovations, are keen on upgrading their kitchen spaces.

Stainless Steel Dominance: Globally, stainless steel remains the top choice for kitchen sinks, prized for its durability, corrosion resistance, and easy upkeep. Its versatility, affordability, and compatibility with diverse kitchen designs further cement its popularity.

Surge in Kitchen Remodeling: Especially in mature markets like North America and Europe, kitchen remodeling is on the upswing. Consumers are keen on modernizing their kitchens, often including upgrades to sink designs and materials.

Rise of Undermount and Apron Front Sinks: Undermount and apron front sinks are gaining traction for their seamless integration with countertops and cabinetry, offering a sleek, contemporary look.

Shift Towards Composite and Granite Sinks: Composite granite sinks, blending natural stone and acrylic resins, are gaining favor for their durability, heat, and scratch resistance. They also provide a luxurious aesthetic, available in a range of colors and finishes.

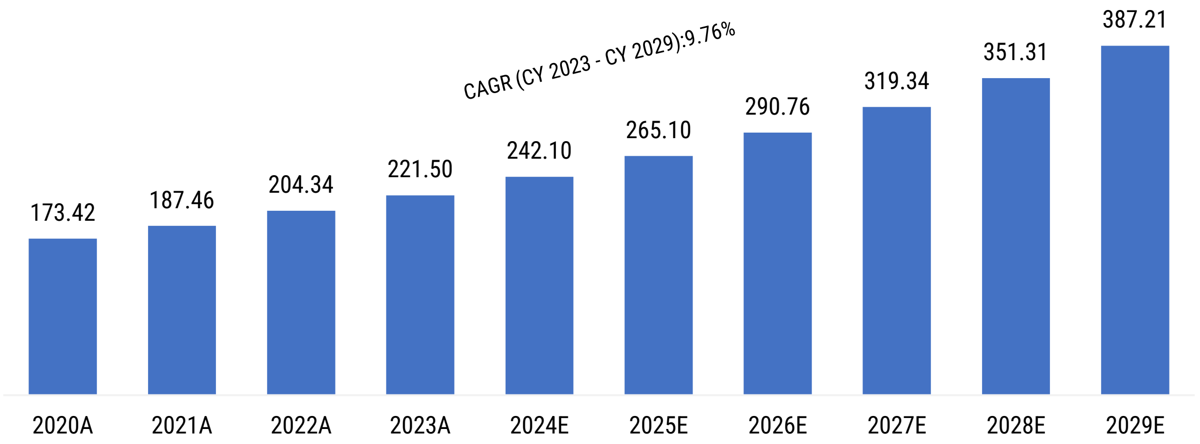
Hygiene and Easy Cleaning: Consumers are increasingly valuing hygiene and easy maintenance in their sink choices. Manufacturers are meeting this demand with antibacterial coatings and designs that are both smooth and easy to clean.

Smart Features on the Rise: With the surge in smart home technologies, interest in kitchen sinks with features like touchless faucets, water-saving sensors, and built-in filtration systems is growing. These features not only enhance convenience but also promote water conservation. For instance, the GD Waterfall LED Smart Kitchen Sink (manufactured by TTGPACE, a stainless-steel sink manufacturer) is crafted from premium 304-grade stainless steel, ensuring strength and longevity; its brushed nano-coating not only enhances its aesthetics but also bolsters its resistance to rust and stains, promising enduring durability.

India Kitchen Sink Market

The India kitchen sink market studied was valued at USD 221.50 million in CY 2023 and is expected to reach USD 387.21 million by CY 2029, witnessing a CAGR of 9.76% during the forecast period (CY2023-CY2029).

Value in USD Million, India Kitchen Sink Market, CY 2020-2029, CAGR (CY 2023 to CY 2029): 9.76%



India is in the midst of an urbanization surge, with projections indicating that its urban population could reach a staggering 600 million by CY 2030. This shift is fueling a growing appetite for housing, commercial spaces, and infrastructure, catapulting the Indian real estate sector to new heights. In CY 2023, the demand for residential properties in India's top 8 cities hit an all-time high, led by heightened activity in mid-income, premium, and luxury segments, despite challenges like rising mortgage rates and property prices. This positive trend is set to continue through CY 2024. With the increasing construction of residential properties and renovation activities, there is a growing need for modern kitchen fixtures, including sinks. Stainless steel sinks, a staple, handle the heavy-duty task of storing and cleaning cutlery and cookware.

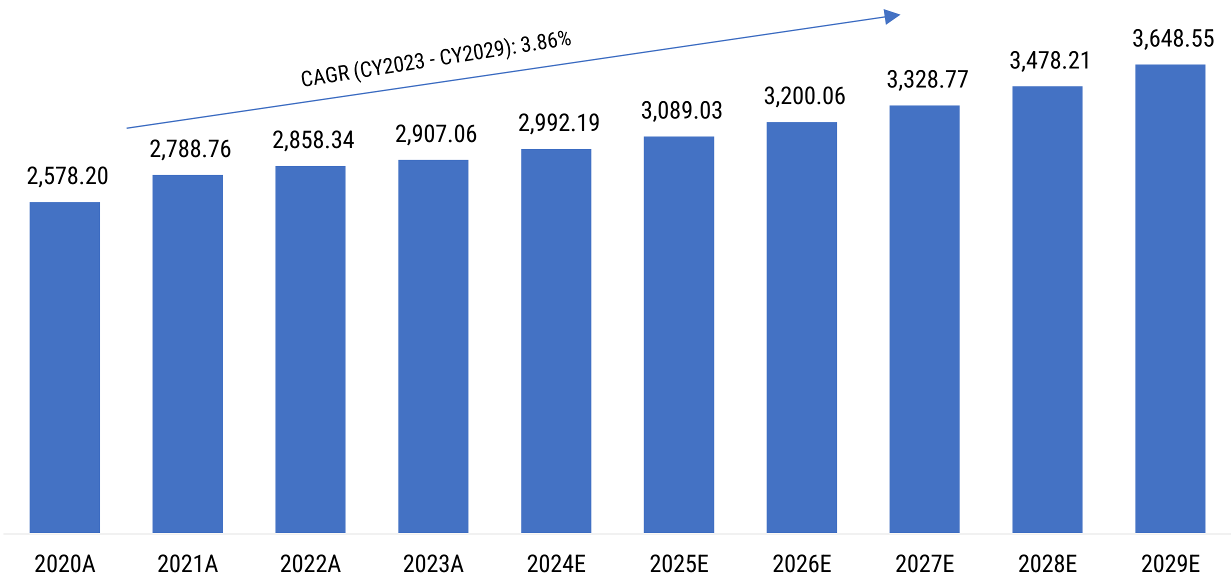
Manufacturers in India craft these sinks not just for functionality but also for aesthetic appeal. A simple wipe-down restores their mirror-like shine. While they were once common in garages and rentals, today, they grace even high-end kitchens. With their clean lines and smooth finishes, these sinks elevate the kitchen's visual appeal. The market is experiencing a notable uptick in the demand for kitchen sinks that emphasize cleanliness, reflecting the growing emphasis on hygiene and sanitation. Undermount sinks, installed beneath the countertop, are gaining popularity. Their appeal lies in the seamless, contemporary aesthetic they bring to kitchens. Moreover, their design ensures easy cleanup, as they lack crevices where dirt and grime can accumulate.

Global Stainless Steel Kitchen Sink Market

The global stainless steel sink market studied was valued at USD 2,907.06 million in CY 2023 and is expected to reach USD 3,648.55 million by CY 2029, witnessing a CAGR of 3.86% during the forecast period (2023-2029).

Value In USD Million, Global Stainless Steel Sink Market, CY 2020-2029

CAGR (CY2023 TO CY2029): 3.86%



Stainless steel kitchen sink markets across the globe are propelled by several key factors:

Durability and Longevity: Stainless steel sinks stand out for their resistance to corrosion, stains, and scratches, ensuring a longer lifespan compared to sinks crafted from alternative materials. This durability makes them a top choice for consumers seeking enduring value.

Hygiene and Easy Maintenance: Stainless steel, being non-porous and easy to clean, offers a highly hygienic option for kitchens. Its low maintenance demands, like simple wiping and occasional polishing, resonate with consumers seeking hassle-free fixtures.

Versatility in Design and Style: With a vast array of designs, sizes, and configurations, stainless steel sinks cater to a variety of kitchen layouts and style preferences. They seamlessly blend with both modern and traditional aesthetics, providing a flexible design choice.

Sustainable and Eco-Friendly: Given stainless steel's recyclability and high scrap value, opting for stainless steel sinks aligns with eco-conscious consumer preferences. As sustainability gains traction, the eco-friendly nature of stainless-steel sinks further enhances their appeal.

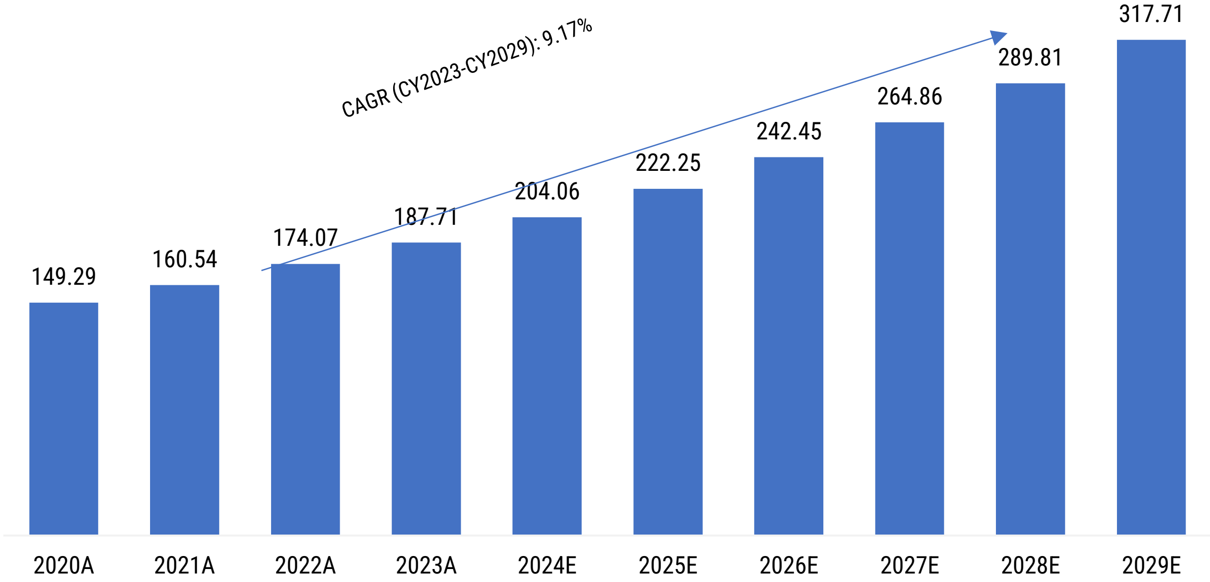
Affordability and Value: Stainless steel sinks are often more cost-effective than their granite or porcelain counterparts. This affordability, combined with their durability, ensures consumers receive excellent value, making them a popular choice for both residential and commercial settings.

India Stainless Kitchen Sink Market

The stainless-steel kitchen sink market studied in India was valued at USD 187.71 million in CY 2023. It is expected to reach USD 317.71 million by CY 2029, witnessing a CAGR of 9.17% during the forecast period (2023-2029).

Value In USD Million, India Stainless Steel Kitchen Sink Market, CY 2020-2029

CAGR (CY2023 to CY2029): 9.17%



The stainless-steel kitchen sink market in India is witnessing a surge in demand for:

Modern and Sleek Designs: Consumers are increasingly favoring clean lines, minimalistic styles, and seamless edges in their stainless-steel kitchen sinks, enhancing their kitchen's aesthetic appeal.

Undermount Sinks: The popularity of undermount stainless steel sinks is rising in India. Their installation beneath the countertop offers a streamlined appearance and simplifies cleaning.

Large Single Bowl Sinks: Especially favored in space-constrained Indian kitchens, these sinks provide ample room for washing large cookware, emphasizing practicality and efficiency.

Noise Reduction Features: Manufacturers are incorporating noise reduction technologies into stainless steel sinks to minimize noise and vibrations during use. Sound-deadening pads or coatings are applied to the underside of the sink to dampen noise and create a quieter kitchen environment.

Multiple Depth Options: Consumers are looking for stainless steel sinks with multiple depth options to suit their needs and preferences. Some prefer deeper sinks for washing large cookware, while others prefer shallower sinks for easier access and maintenance.

Matte Finishes: Matte-finish stainless steel sinks are gaining popularity as an alternative to traditional glossy finishes. Matte finishes offer a modern and sophisticated look while minimizing the appearance of fingerprints, water spots, and scratches, making them easier to maintain.

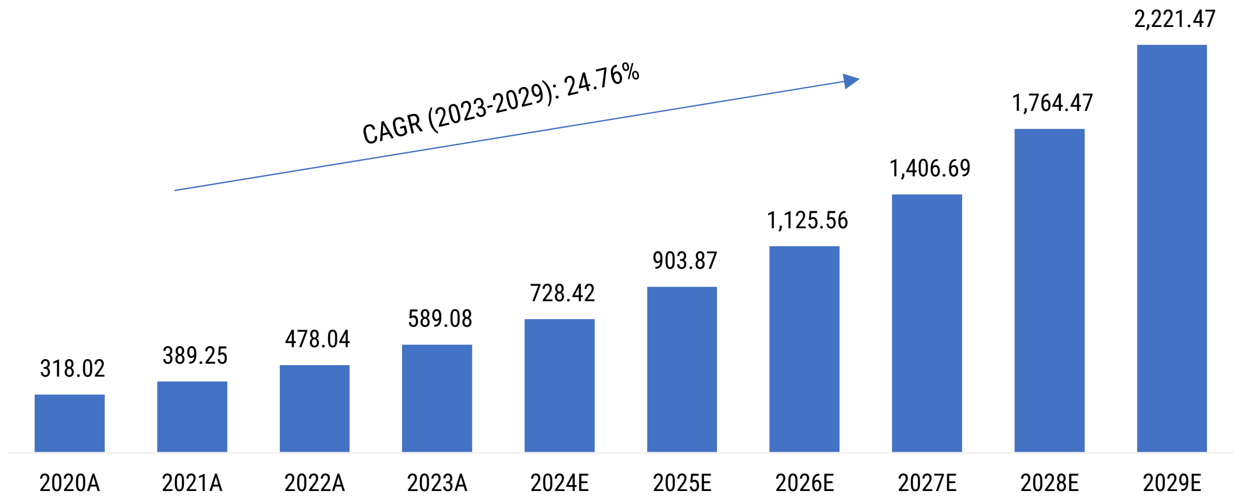
Environmentally Friendly Options: With increasing awareness of environmental sustainability, consumers are seeking stainless steel sinks made from recycled materials or manufactured using eco-friendly processes. Manufacturers are responding to this demand by offering sustainable and eco-conscious sink options.

Global Quartz Kitchen Sink Market

The global quartz kitchen sink segment of the market studied was valued at USD 589.08 million in CY 2023. It is expected to reach USD 2,221.47 million by CY 2029, witnessing a CAGR of 24.76% during the forecast period (CY 2023- CY 2029).

Value In USD Million, By Quartz Material, Global, CY 2020-2029

CAGR (CY2023 to CY 2029): 24.76%



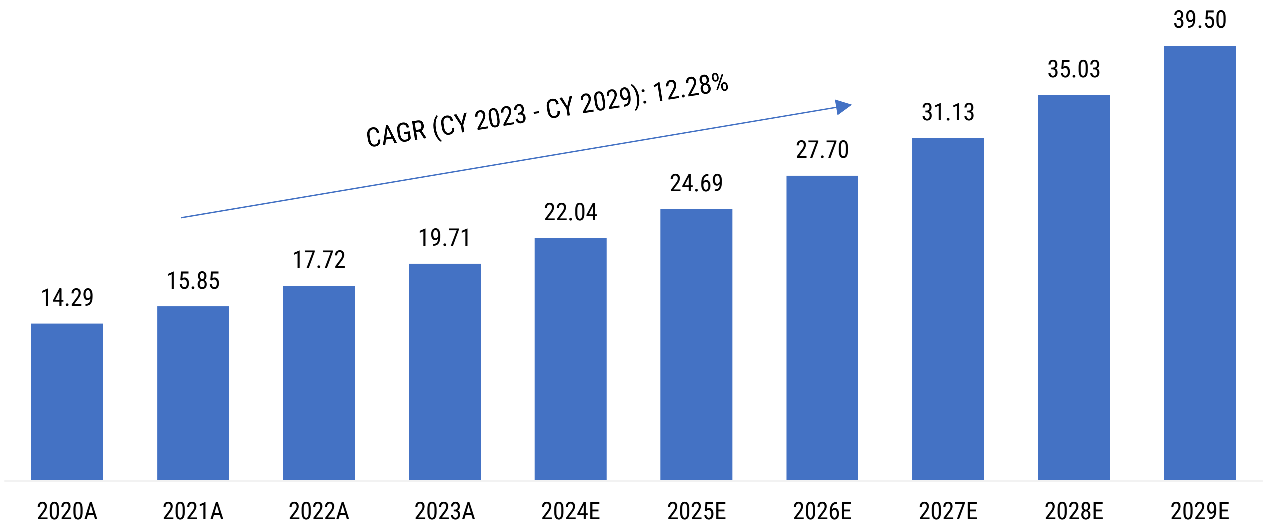
Quartz Sinks offer a sleek, modern aesthetic for kitchens. Their natural stone finish effortlessly complements countertops, making them ideal for contemporary decor. These sinks are crafted from meticulously sourced quarried materials, arriving in a raw state. This necessitates cutting the sink to the desired shape and size. Quartz Sinks offer a sleek, modern aesthetic for kitchens. With their unique composition, these kitchen sinks offer a warm and inviting texture. Quartz sinks often command a premium over more common materials such as stainless steel or porcelain. Installation of a quartz sink can be slightly more complex and might require professional help due to the material's heavy weight. Since quartz sinks are a relatively new trend, there are fewer manufacturers compared to more traditional sink materials. This could mean less competitive pricing and fewer style options for the consumers.

India Quartz Kitchen Sink Market

The India quartz sink kitchen segment of the market studied was valued at USD 19.71 million in CY 2023. It is expected to reach USD 39.50 million by CY 2029, witnessing a CAGR of 12.28% during the forecast period (CY2023-2029).

Value In USD Million, By Quartz Material, India, CY 2020-2029

CAGR (CY2023 TO CY2029): 12.28%



The Indian quartz kitchen sink market is witnessing a rise in demand, propelled by several pivotal trends:

Rising Demand for Premium Fixtures: Indian consumers are gravitating toward premium kitchen fixtures, with quartz sinks being a favored choice. This shift reflects a desire for elevated aesthetics and quality in kitchen spaces. Manufacturers have been expanding production capacity in India.

Preference for Contemporary Designs: Modern and sleek designs are gaining traction in the Indian quartz sink market. Consumers are drawn to clean lines, minimalist aesthetics, and designs seamlessly blending with their countertops.

Diverse Design Offerings: Manufacturers are diversifying their design portfolios, offering a spectrum of colors, patterns, and finishes in quartz sinks. This variety empowers consumers to tailor their sinks to match their unique tastes and kitchen decor.

Focus on Durability: Indian consumers prioritize durability in their kitchen sink selections. Quartz sinks, renowned for their scratch, stain, and heat resistance, are increasingly favored for their longevity and minimal maintenance needs.

Hygiene and Maintenance: Heightened hygiene awareness steers consumers toward kitchen fixtures that are easy to clean and maintain, like quartz sinks. The non-porous nature of quartz, coupled with its resistance to bacterial growth, underscores its appeal to health-conscious consumers.

Innovative Features: Manufacturers are elevating quartz sinks with advanced functionalities. These include noise reduction coatings, integrated accessories like cutting boards and drying racks, and inventive drainage systems.

Sustainability: Environmental consciousness is on the rise among Indian consumers. In response, manufacturers are crafting quartz sinks from eco-friendly, recyclable materials and adopting sustainable production practices.

Personalization: Tailored solutions are gaining popularity, with consumers seeking customized sizes, depths, and configurations to align with their kitchen layouts and preferences.

India And Global Built-In Kitchen Appliances Market

Value In USD Million, India And Global Built-In Kitchen Appliances Market, CY 2020-2029

	2020A	**2021A**	**2022A**	**2023A**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**CAGR (%) (CY2023-2029)**
Global Built-in Kitchen Appliances Market	56,985.00	60,899.87	63,835.24	67,039.77	70,566.06	74,468.37	78,824.77	83,727.67	89,303.93	95,635.58	6.10%
India Built-in Kitchen Appliances Market	230.21	251.47	271.40	293.25	317.38	344.30	374.63	409.32	449.56	495.95	9.15%

Note: The list of the Products Considered Under Built-In Kitchen Appliances Includes Refrigerators, Dishwashers, Ovens, Microwaves, Hobs, Barbecues, Chimneys, Coffee-Makers, Cooking Ranges, Fryers, Ice Makers, Wine Chillers, and Cooktops.

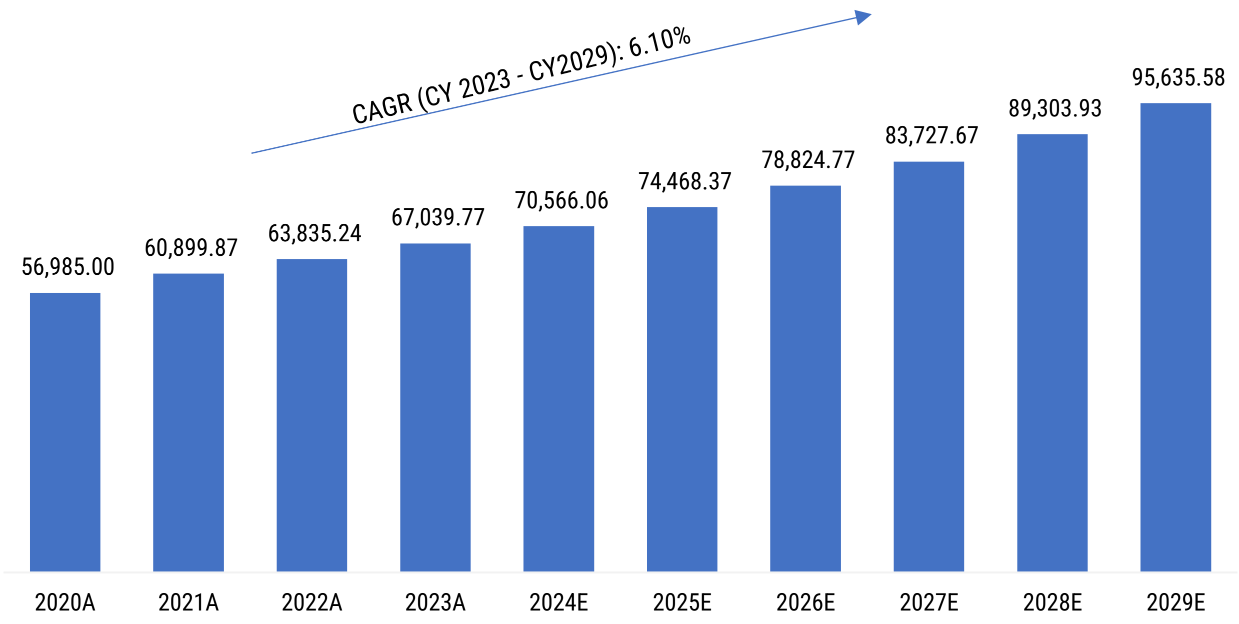
Volume In Million Units, India And Global Built-In Kitchen Appliances Market, CY 2020-2029

	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	CAGR (%) (CY2023-2029)
Global Built-in Kitchen Appliances Market	126.46	133.42	139.57	146.43	153.37	160.80	168.87	177.73	187.52	199.20	5.26%
India Built-in Kitchen Appliances Market	0.85	0.91	0.96	1.02	1.09	1.16	1.25	1.35	1.47	1.60	7.89%

The global built-in kitchen appliances market studied was valued at USD 67,039.8 million in CY 2023. It is expected to reach USD 95,635.6 million by CY 2029, witnessing a CAGR of 6.10% during the forecast period (CY2023-2029).

Value In USD Million, Global Built-In Kitchen Appliances Market, CY 2020-2029

CAGR (CY2023 TO CY2029): 6.10%



The global market for built-in kitchen appliances is witnessing a wave of trends and innovations:

Smart Connectivity: Demand is surging for smart appliances, with consumers gravitating toward features like Wi-Fi connectivity, touchscreen controls, and app integration in their refrigerators, ovens, dishwashers, and cooktops. For instance, with an expansive set of features, Samsung's Family Hub refrigerator stands out. Its capabilities range from displaying Ring Video Doorbell feeds on its sizable LCD door screen to playing music and setting alarms. Yet, the standout feature is its integration of Bixby, Samsung's answer to Alexa, enabling seamless voice control. This means users can not only interact with the fridge itself but also manage other smart home devices, all while the fridge can even function as a television.

Embracing Sustainability: Manufacturers are responding to the eco-conscious consumer, incorporating technologies like inverter compressors and LED lighting to enhance energy efficiency and reduce environmental footprints.

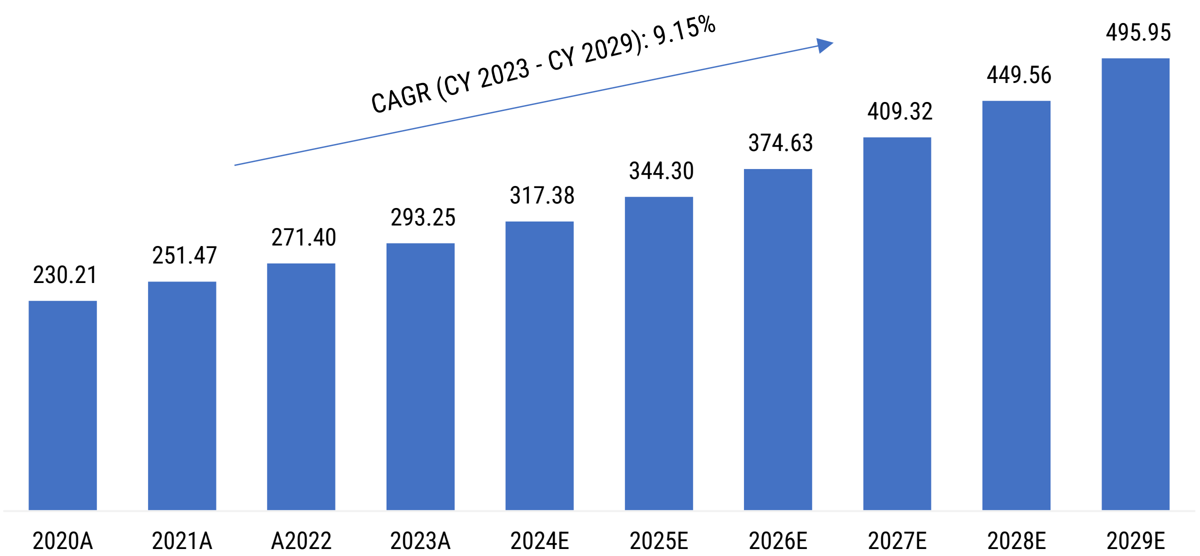
Space-Saving Versatility: Combination steam ovens, a type of multi-functional appliance, are surging in popularity. They can bake, roast, steam, and grill, all within a single unit, meeting the market's demand for versatility.

Seamless Integration: Appliances are now designed to seamlessly blend into kitchen cabinetry, with features like flush-mounted installations and panel-ready designs, creating a unified and modern aesthetic.

Hands-Free Operation: Voice and gesture controls are being integrated into appliances, offering users a more intuitive and convenient experience. Designed with a focus on ergonomics, built-in ovens offer heightened ease of operation, being conveniently mounted at an optimal user-friendly height. This conserves valuable kitchen space and imparts a sleek, organized appearance. A standout feature of built-in refrigerators is their capacity flexibility. While their depth is constrained by surrounding cabinetry, users can tailor the refrigerator's width to suit their specific needs. Built-in dishwashers boast an independent water line, facilitating concurrent sink usage. Additionally, built-in hobs, flush with the kitchen countertop, create a seamless aesthetic. Their temperature control feature ensures precise cooking, yielding perfectly prepared dishes. The India built-in kitchen appliances market studied was valued at USD 293.25 million in CY 2023. It is expected to reach USD 495.95 million by CY 2029, witnessing a CAGR of 9.15% during the forecast period (CY 2023-2029).

Value in USD Million, India Built-In Kitchen Appliances Market, CY 2020-2029

CAGR (CY 2023 To CY 2029): 9.15%



Built-in kitchen appliances market in India is witnessing transformation, driven by several key trends:

Surge in Smart Appliance Demand: With the rising embrace of smart home tech, India has a surging appetite for smart built-in kitchen appliances. Consumers are gravitating toward appliances offering Wi-Fi connectivity, app control, and voice activation, enhancing convenience and control over kitchen tasks. For instance, Godrej & Boyce unveiled the ‘Neo Smart Chimney,’ designed to cater to the needs of busy Indian households. This innovative chimney boasts a unique, cool draft design, prioritizing user comfort during meal preparation. Equipped with a specialized set of baffle filters, it's tailored to tackle the robust Indian cooking style, often characterized by heavy use of spices and frying. The chimney's standout feature is its auto-clean function, complete with a removable and easy-to-clean oil collector tray. Additionally, its LED lights enhance cooking visibility and promise extended durability.

Emphasis on Customization and Modular Design: Indian consumers are increasingly favoring built-in kitchen appliances that can be tailored to their kitchen layouts and design preferences. Modular designs enable flexible arrangements, optimizing space and functionality with tailored storage solutions and workspaces.

Growing Popularity of Energy Efficiency: Energy-efficient and sustainable appliances are gaining traction in India, reflecting a heightened environmental consciousness among consumers. Manufacturers are responding with models featuring inverter technology, eco-friendly refrigerants, and reduced water consumption in dishwashers.

Adoption of Innovative Cooking Technologies: Advancements in cooking technologies are propelling the demand for built-in kitchen appliances. Induction cooktops, steam ovens, and microwave-convection oven combos are becoming popular, lauded for their efficiency, speed, and healthier cooking options.

Seamless Integration with Cabinetry: Today's built-in kitchen appliances are crafted to seamlessly blend with kitchen cabinetry, offering a sleek and contemporary aesthetic feature like flush-mounted.

Emphasis on Convenience: Indian consumers increasingly value convenience features in their built-in kitchen appliances. Dishwashers with sensor-based load detection, self-cleaning filters, and adjustable racks are particularly sought for their ease of use and time-saving benefits.

Competitive Landscape

The market comprises both international and domestic players. Leading companies prioritize innovation and new product launches to bolster their offerings. These major players consistently update their technologies to outpace rivals, ensuring efficiency and integrity. Manufacturers are rolling out quartz sinks with unique designs, drawing from a spectrum of ethnic influences. BLANCO GmbH & Co. KG (Blanco), Franke Holding AG (Franke), Schock GmbH (Schock), and Carysil Limited (Carysil) are the leading manufacturers of Quartz kitchen sinks. Carysil Limited (Carysil) is the only Asian company and globally among the top four manufacturers of Quartz Sinks using Schock Technology (Germany). Carysil Limited (Carysil) has a cost-benefit in India over its European counterparts due to its domestic production in India. Production costs in European countries have escalated due to ongoing inflation and energy crisis, creating a demand-supply gap in Quartz Sink manufacturing. This offers tremendous potential for Carysil Limited (Carysil) to further penetrate into the market and bridge the gap and expand its customer base globally. Moreover, Indian companies strategically focus on mergers and acquisitions and develop sustainable, innovative kitchen products, responding to the escalating consumer appetite for quartz sinks.

International Competitor Benchmarking

International Competitor Benchmarking

Company Name	Global Revenue (from all business segments)	Geographical Presence	Product Offerings
Carysil Limited	INR 6,837.58 million (FY 2024 Consolidated Revenue from Operations)	Across North America, Europe, Middle East, Latin America and Australia	Quartz Sink, Steel Sink, Appliance & Others, Surfaces/ Worktops
Franke Holding AG (Franke)	CHF 2.43 billion (FY 2023 Consolidated Net Sales)	Africa/Middle East Asia/Oceania The Americas Europe	Sinks, taps, coffee machines, waste management and accessories
Schock GmbH (Schock)	EUR 151 million (CY 2022 Consolidated Total Revenue)	Across Europe, North America, South America, Asia, Africa, Australia, and New Zealand	Sinks Kitchen taps

Company Name	Global Revenue (from all business segments)	Geographical Presence	Product Offerings
			Spare parts
BLANCO GmbH & Co. KG (Blanco)	EUR 413 million (FY 2023 Consolidated Total Sales)	100 Countries Across Europe, North America, and APAC	Kitchen sink and faucets

Carysil Limited – Overview

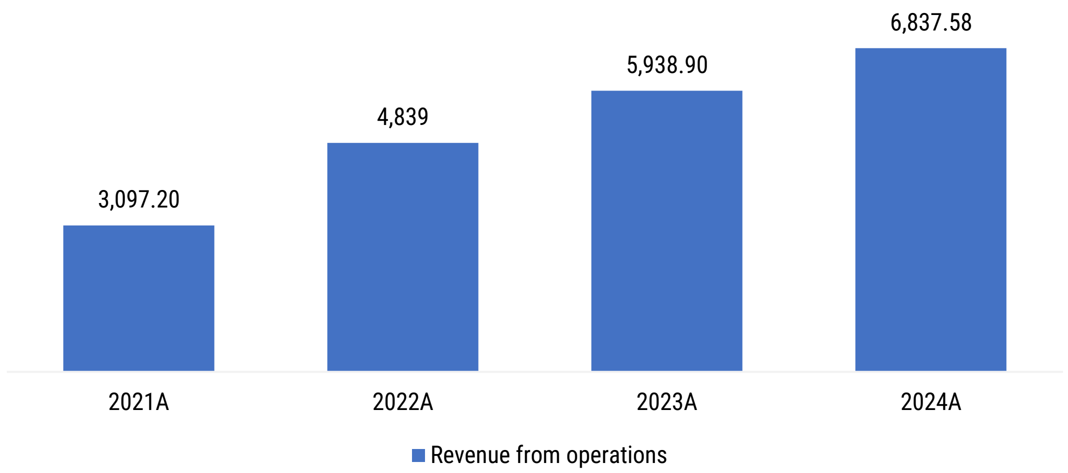
Global Overview

Carysil Limited is one of the major players in the Indian kitchen sink market. In kitchen solutions, Carysil focuses on crafting high-end quartz and stainless-steel sinks, faucets, and built-in appliances in India. Notably, it ranks as the world's fourth-largest producer of quartz sinks and boasts a wide-ranging portfolio of kitchen appliances. This positions Carysil as a key player in the competitive kitchen industry. Carysil sinks, accessories, and faucets undergo an innovative PVD process. This process forms a molecular bond, ensuring a resilient finish impervious to corrosion, discoloration, or tarnishing. Carysil is among the few globally that have established a dedicated PVD plant for coating stainless steel in various exquisite finishes, including Yellow Gold, Rose Gold, and Gun Metal. Further, the company is committed to sustainability.

Most Quartz sinks in India are sold by Carysil. It is the market leader in India's Quartz sinks market, with more than 30% market share. Carysil stands out as the sole Asian company, one of just four globally, dedicated to crafting quartz kitchen sinks that meet stringent global benchmarks for quality, longevity, and aesthetics.

Carysil Limited – Financials

Carysil Limited, Consolidated Basis Revenue in INR Million, FY 2021-2024 (Year ended March 2024)



Franke Holding AG (Franke) – Overview

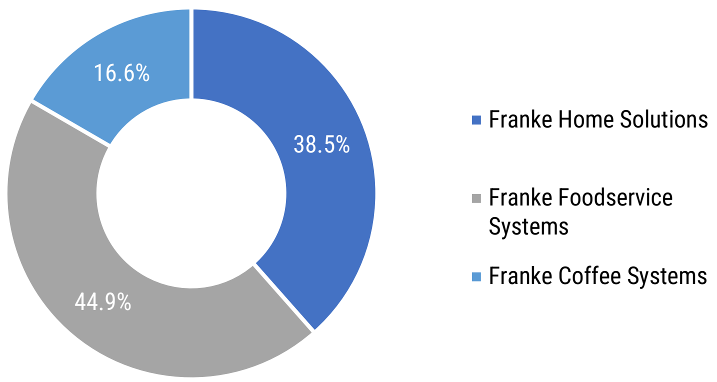
www.franke.com

Global Overview

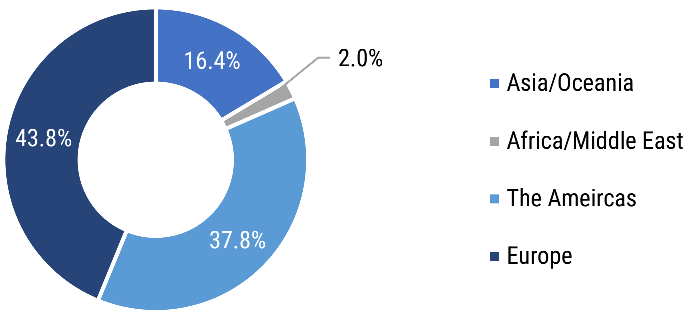
Established in 1911, Franke Holding AG (Franke), headquartered in Switzerland, is renowned in kitchen solutions. Specializing in sinks, faucets, hoods, and cooking appliances, Franke Holding AG (Franke)has earned a global reputation for its innovative kitchen technology. Operating in more than 36 countries across five continents, Franke Holding AG (Franke) caters to residential and commercial segments, offering a diverse product portfolio. Franke Holding AG (Franke) belongs to the Artemis Group. Notably, Franke Holding AG (Franke) stands out as a key global player, providing products and services for domestic kitchens, food service systems, and the professional coffee-making industry.

Franke Holding AG (Franke)– Financials

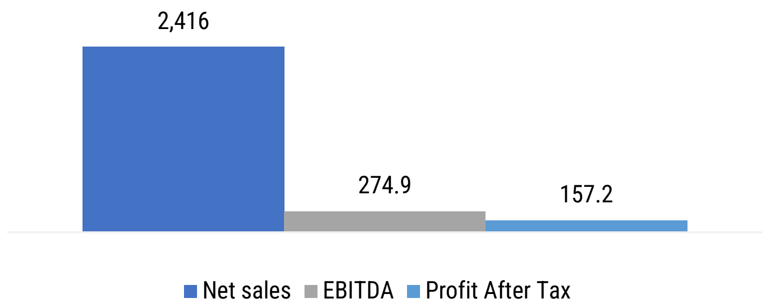
Franke Holding AG (Franke), Consolidated Net Sales by Division, in percentage, FY 2023



Franke Holding AG (Franke), Consolidated Net Sales by Region, in percentage, FY 2023



Franke Holding AG (Franke), Key Figure in CHF million, FY 2023



Schock GmbH (Schock)– Overview

Global overview

www.schock.de

Schock GmbH (Schock), a German firm founded in 1924, specializes in crafting quartz composite sinks. Renowned for pioneering manufacturing methods, Schock GmbH's kitchen and bathroom sinks stand out for their durability, scratch resistance, and diverse design selections. With a robust global footprint in over 70 countries, Schock GmbH boasts a diverse product range, featuring over 300 sink models across 40+ colors under its CRISTALITE® and CRISTADUR® lines. SCHOCK's CRISTADUR® GREEN Line is crafted from nearly 99% natural, renewable, or recycled materials. In April 2021, Triton (an investment firm), through its advised fund Triton Fund V, acquired Schock GmbH (Schock). Notably, in March 2022, Schock GmbH (Schock) expanded its family by adding two new members: The 1810 Company and Marmorin.

BLANCO GmbH & Co. KG (BLANCO) – Overview

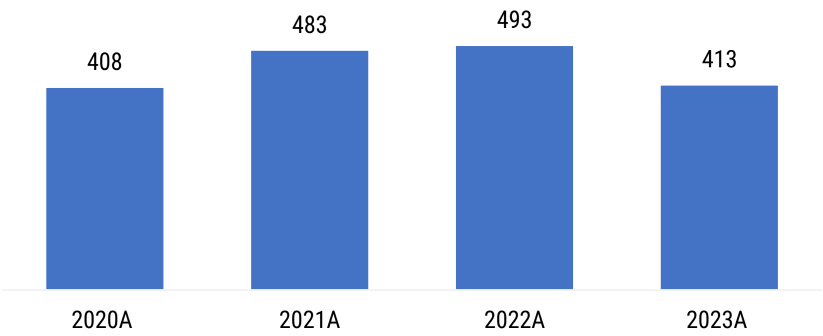
www.blanco.com

Global overview

BLANCO GmbH & Co. KG (Blanco) is part of the BLANC & FISCHER Family Holding. BLANCO GmbH & Co. KG (BLANCO) specializes in comprehensive water system solutions for household kitchens. It encompasses a range of products, from sinks and top-tier mixer taps to innovative features like natural carbon dioxide water purification, advanced filtration, cooling systems, and a host of accessories, including soap dispensers and cabinet organization units. With a strong foothold in Europe, North America, and APAC through its subsidiaries and extensive network of trading partners, BLANCO GmbH & Co. KG (Blanco) reach spans approximately 100 countries. BLANCO GmbH & Co. KG (Blanco) operates from multiple production and logistics hubs, primarily in Germany, and extends to the United Kingdom, Czech Republic, USA, Canada, Australia, and China.

BLANCO GmbH & Co. KG (Blanco) – Financials

BLANCO GmbH & Co. KG (Blanco), Consolidated Total Sales in EUR Million FY 2020-2023



Source: Company Website

FUTURE OF THE MARKET

The kitchen sink market in India is poised for growth in the coming years. This growth can be attributed to urbanization, rising nuclear families, increased working women, and a boost in disposable income. According to Ipsos India, the urban population in India has steadily climbed, from 31.3% in FY 2011 to 35.4% in FY 2021. Projections suggest this trend will continue, with urban dwellers expected to reach 43% by FY 2035. Urban migration, driven by better job prospects, fuels demand for residential and commercial spaces. Consequently, this surge in construction is directly translating to an increased demand for kitchen essentials like sinks, countertops, and modern appliances. Technological advancements are set to dominate the market landscape in the near future. Leading the charge are market players introducing smart, connected devices. For instance, in April 2024, Samsung rolled out a new range of AI-powered home appliances under its Bespoke series. These appliances, featuring built-in Wi-Fi, internal cameras, AI chips, and compatibility with the SmartThings app, promise an elevated, intelligent home experience. These appliances are designed to predict and cater to users' needs across various home settings by harnessing AI. Furthermore, market players are eyeing new regions and countries to establish production facilities and expand their customer base. This strategic move aims to secure better access to raw materials and drive sales and profits. Consumer preferences are also evolving, with a notable shift toward premium products like quartz countertops. This trend is visible in residential and commercial kitchen spaces, where aesthetics play a significant role. India's abundant raw material resources for countertops are poised to attract domestic and international market entrants, intensifying competition. Given these dynamics, the future holds many opportunities for market players to bolster their presence in India and on the global stage.

Multifunctional Kitchen Sinks: Redefining Efficiency And Style In Modern Homes

Functionality and design are key in any kitchen, ensuring that daily cooking and chores flow seamlessly. The multifunctional kitchen sink is a concept reshaping India's perception of this vital home space. These sinks are more than just a place to wash dishes; they embody innovation, efficiency, and aesthetics in a single unit. They enhance the visual appeal and ensure easy maintenance, a streamlined workflow, and efficient space utilization, making them a perfect fit for compact, modular kitchen setups. Indian kitchens epitomize multitasking, and the multifunctional sink stands at the center of this efficiency. Seamlessly transitioning from rinsing vegetables to dishwashing and meal prep, it embodies the essence of versatility. Vendors are always innovating to stay competitive, maintain high customer attention, extend their customer base, and generate demand for their products to meet the growing demand for multi-functional household appliances. While multifunctional sinks are a staple in residential kitchens, their utility extends seamlessly to commercial settings, notably in restaurants. These sinks enhance operational efficiency and elevate hygiene standards, simplifying food prep and dishwashing tasks. In India, the multifunctional kitchen sink is expected to gain significant growth opportunities in the market over the forecast period.

OUR BUSINESS

Certain information contained in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described in "Forward-Looking Statements" and "Risk Factors" on pages 13 and 37, respectively. You should also read "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Industry Overview" on pages 13, 81 and 100, respectively, as well as the financial, statistical and other information included in this Placement Document, for a discussion and analysis of factors that may affect our business, financial condition, results of operations or cash flows.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Carysil Limited on a standalone basis, while any reference to our subsidiaries, "we", "us", "our" or "our Group" is a reference to the Company on a consolidated basis.

Industry and market data used in this section has been derived from the M&I Report, which was exclusively prepared for the purpose of the Issue. Our Company has commissioned and paid for the M&I Report pursuant to the engagement letter signed with Mordor Intelligence. Mordor Intelligence is not related in any manner to our Company, its Subsidiaries, Directors, members of Senior Management or the Promoters. For more details, see "Industry and Market Data" on page 12. For risks in relation to industry data, see "Risk Factors - We have exclusively commissioned and paid for an industry report which is prepared for the purposes of the Issue and issued by Mordor, which has been used for industry related data in this Placement Document. Accordingly, prospective investors are advised not to base their investment decision solely on such information." on page 52.

OVERVIEW

We are the only Asian company and globally among the top four manufacturers of Quartz Kitchen Sinks using Schock technology (Germany) (*Source: M&I Report*). Our product portfolio encompasses a wide range of offerings from Quartz kitchen sinks to Stainless Steel kitchen sinks, faucets, surfaces and food waste disposers. We cater to various needs in the kitchen. We also sell built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dishwashers, built-in ovens, microwave ovens, ice and coffee makers. We also offer a comprehensive selection of bathroom products, including water closets (WCs) and fittings. Our Company sells its kitchen products under the brand 'Carysil' and bathroom products under the brand 'Sternhagen'. Our Company sells its high value products featuring built-in kitchen appliances, under the brand 'Tekcarysil'.

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and TUV certifications for the development, manufacture and supply of composite quartz kitchen sinks, wash basin and tiles. Our Company's plastic sinks have also been certified by IAMPO Research and Testing, Inc. Our subsidiary, Carysil Steel Limited has obtained ISO 45001:2018, ISO 14001: 2015 and ISO 9001:2015 certifications for the manufacture of its stainless steel kitchen sinks.

Our revenue from foreign and domestic operations on consolidated basis, for Fiscals 2024, 2023 and 2022 are set out below:

(₹ in lakhs, except for percentage)

Particulars	Fiscal 2024	In %	Fiscal 2023	In %	Fiscal 2022	In %
Sale of products						
Exports	54,228.84	79.86	46,104.94	78.46	38,175.11	79.66%
Domestic	13,675.25	20.14	12,657.15	21.54	9,745.91	20.34%
Total	**67,904.09**	**100.00**	**58,762.09**	**100.00**	**47,921.02**	**100.00**

As on March 31, 2024, our Company is exporting to more than 55 countries with more than 80 customers across the globe. Further, as on March 31, 2024, our sales and revenues are geographically concentrated in the United States, the United Kingdom and India.

The details of our country wise revenue from operations, for Fiscals 2024, 2023 and 2022, on a consolidated basis, are set out below:

(*in ₹ in lakhs, except for percentages*)

Country name	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of sale of products	Amount	% of sale of products	Amount	% of sale of products
United Kingdom	26,193.53	38.57%	23,188.32	39.46%	9,722.45	20.29%
United States of America	14,021.80	20.65%	8,301.83	14.13%	11,038.28	23.03%
India	13,675.25	20.14%	12,657.15	21.54%	9,745.90	20.34%

As on March 31, 2024, our Company has a dealer network of over 3,200 spread across India supported by more than 90 customers and 65 galleries operated by our Company's distributors across the country. We have five Company operated showrooms in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad.

The details of our segment wise revenues for the Fiscals 2024, 2023 and 2022, on a consolidated basis, are as follows:

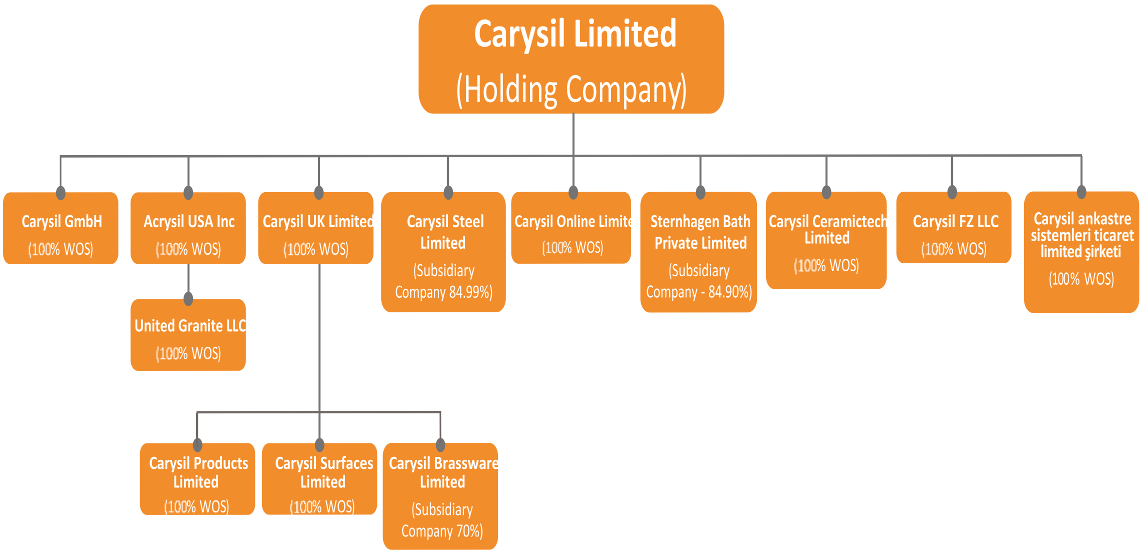
(₹ in lakhs except for percentages)

Product Wise Revenue	As of and for the financial year ended March 31, 2024		As of and for the financial year ended March 31, 2023		As of and for the financial year ended March 31, 2022	
	Amount	% of Total Sales of Products	Amount	% of Total Sales of Products	Amount	% of Total Sales of Products
Quartz Sink	34,604.83	50.96%	31,539.54	53.67%	37,504.82	78.26%
Steel Sink	7,079.21	10.43%	7,010.59	11.93%	6,375.46	13.30%
Appliances & Others	7,999.95	11.78%	5,922.31	10.08%	4,040.74	8.44%
Surfaces/ Worktops	18,220.10	26.83%	14,289.65	24.32%	-	-
Total	**67,904.09**	**100.00%**	**58,762.09**	**100.00%**	**47,921.02**	**100.00%**

The Company has also entered into partnerships with global players and leading home retailers.

Organisational Structure

As of March 31, 2024, we have nine subsidiaries and four step-down subsidiaries. Set out below is a depiction of our organisational structure:



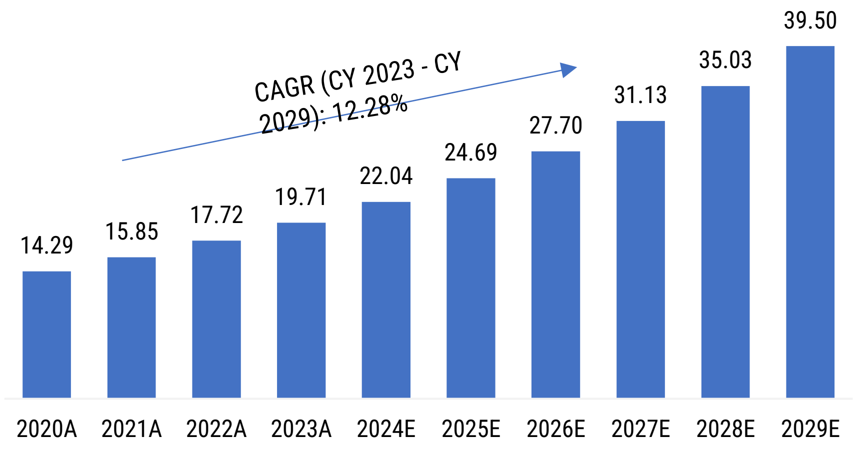
Our Strengths:

➢ ***Market leader in Quartz sinks in India.***

We are the only Asian company and globally among the top four manufacturers of Quartz Kitchen Sinks using Schock technology (Germany) (*Source: M&I Report*). Quartz Sinks offer a sleek, modern aesthetic for kitchens. Their natural stone finish effortlessly complements countertops, making them ideal for contemporary decor. With their unique composition, these kitchen sinks offer a warm and inviting texture. Quartz sinks often command a premium over more common materials such as stainless steel or porcelain. Installation of a quartz sink can be slightly more complex and might require professional help due to the material's heavy weight. Since quartz sinks are a relatively new trend, there are fewer manufacturers compared to more traditional sink materials. This could mean less competitive pricing and fewer style options for the consumers. (*Source: M&I Report*)

Quartz is becoming the material of choice for kitchen sinks. The growing trend of kitchen renovations and home improvement projects has fueled the demand for quartz kitchen sinks. As an increasing number of homeowners recognise the benefits of Quartz sinks, the market for these products continues to experience substantial growth. On account of the Company's long-standing presence in the Indian kitchen sink industry and with constant improvement and adoption of technologies, augmented with quality, our Company believes that it enjoys considerable brand equity and reliability in the Quartz sink segment.

As per M&I Report, the Indian Quartz kitchen sink market is expected to grow by 12.28% from USD 19.71 million in CY2023 to USD 39.50 million in CY2029.



We attribute our strong market position to factors such as our long-standing relationship with customers, our business experience, our established infrastructure and access to raw material and our consistently high-quality products.

The details of our Company's revenue from the sale of Quartz sinks from India for the Fiscals 2024, 2023 and 2022 are as follows:

Fiscal 2024		**Fiscal 2023**		**Fiscal 2022**	
Quantity	Value (*in ₹ in lakhs*)	Quantity	Value (*in ₹ in lakhs*)	Quantity	Value (*in ₹ in lakhs*)
99,032	5,443.00	98,038	5,434	89,358	4,537.00

- ***Strong dealer and distributor network in India and overseas.***

As on March 31, 2024, our Company has a dealer network of over 3,200 spread across India supported by more than 90 customers and 65 galleries operated by our Company's distributors across the country. We have five Company operated showrooms in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad. As on March 31, 2024, our Company is exporting to more than 55 countries with more than 80 customers across the globe. Further, as on March 31, 2024, our sales and revenues are geographically concentrated in the United States, the United Kingdom and India.

- ***Our quality standards and recognition***

Our Company has obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and TUV certifications for the development, manufacture and supply of composite quartz kitchen sinks, wash basin and tiles. Our Company's plastic sinks have also been certified by IAMPO Research and Testing, Inc. Our subsidiary, Carysil Steel Limited has obtained ISO 45001:2018, ISO 14001: 2015 and ISO 9001:2015 certifications for the manufacture of its stainless steel kitchen sinks.

- ***Professional management with successful track record and extensive experience in the kitchen sinks industry.***

Our Company is led by qualified and experienced Promoter, Board of Directors and senior management team, that we believe has the expertise and vision to manage and grow our Company's business.

Our Promoter and Managing Director, Chirag Parekh has an experience of over three decades in the Quartz Kitchen Sinks and stainless steel Kitchen sinks and has been instrumental in our Company's growth and development. Our Promoter Chirag Parekh is ably supported by our management team which enables us to understand and anticipate market trends, manage our business operations and growth and leverage customer relationships. We believe that the knowledge and experience of our Promoter, along with senior management team, provides us with a competitive advantage, as we seek to expand our production capacities and, as well as expansion in our existing markets and new market.

Anand Sharma is the Executive Director and Group Chief Financial Officer and Chief Operating Officer of our Company. He is a fellow member of ICAI, CS and Cost Accountant having more than 25 years of experience in the field of finance, accounts, auditing, taxation, risk management, cross border acquisitions, investor relationship, cost control and cost optimization, business strategy & transformation, corporate governance, secretarial and statutory compliances. Reena Shah, Company Secretary & Compliance Officer of our Company with a Bachelor of Commerce, LLB, and ACS qualification, is a seasoned professional with over 13 years of experience in corporate secretarial compliance and legal matters.

We believe that we have attracted and retained experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills. We believe that the combined strength of our Promoters, Directors and senior management team help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. We will continue to leverage on the experience of our management team and their understanding of our business to take advantage of current and future market opportunities.

Strategies:

- ***Enhance and strengthen our leadership position in Quartz sinks market.***

  We are the only Asian company and globally among the top four manufacturers of Quartz Kitchen Sinks using Schock technology (Germany) (*Source: M&I Report*). As per M&I Report, the global quartz sink market size is estimated to register CAGR of 24.76% during the period CY2023-CY2029, reaching a market size of USD 2.22 Billion in CY2029.

  Our Company is intensifying its efforts to capitalise on the steady demand in both domestic and emerging markets. Further, to fuel our growth in the domestic market, our Company has a dedicated team focussed on institutional sales. As a part of our ongoing B2B strategy, our Company is improving its touchpoints with developers and architects to increase our Company's penetration in the domestic market. These initiatives enable our Company to cater to real estate projects and builders, while also exploring potential collaborations for upcoming ventures.

- ***Increase penetration in existing markets and expansion into new geographies.***

  Production costs in European countries have escalated due to ongoing inflation, energy crisis, creating a demand-supply gap in Quartz Sink manufacturing. This offers a tremendous potential for our Company to further penetrate into the market and bridge the gap and expand customer base globally. (*Source: M&I Report*)

  Our acquisitions in the UK and the US unlock our potential to introduce our brands in the kitchen and bathroom segments in the UK, the European and the US markets. The Company's Subsidiary Carsyil UK Limited (formerly known as Acrysil UK Limited), in April 2023, acquired 70% of shares in Carysil Brassware Limited (formerly known as The Tap Factory Limited), incorporated in England, Wales with an option to buy the remaining 30% of the issued shares of Carysil Brassware Limited. Carysil UK Limited in April 2022, acquired 100% of the equity shares of Tickford Orange Limited, the UK parent company of Carysil Surfaces Limited (formerly known as Sylmar Technology Limited). Pursuant to the dissolution of Tickford Orange Limited, Carysil UK Limited presently holds 100% of the issued shares of Carysil Surfaces Limited. Further, our wholly owned subsidiary in the US, Acrysil USA, Inc., recently in October 2023 acquired 100% membership interest in United Granite, LLC. We are strategically expanding into untapped markets where our presence was previously limited, by exploring related segments, evaluating new avenues for future growth, and making strategic acquisitions. The Company also intends to penetrate the new and emerging markets in GCC and Turkey. For this purpose, the Company has incorporated Carysil FZ LLC and Carysil Ankastre Sistemleri Ticaret Limited in UAE and Turkey, respectively.

- ***Invest in new machinery, equipment and moulds.***

  Our Company intends to increase its production capacity and product offerings to its customers by procuring and installing new machinery, equipment and moulds at the Company's existing and/or new manufacturing facility(ies).

  For further details, please see "*Use of Proceeds*" on page 62.

- ***Our Company plans to automate its production and packaging process***

  Our Company plans to automate its production and packaging process to increase efficiency and to reduce wastage and overall cost. Our Company proposes to undertake automated flow in the following processes:

  - **Mixing and mould filling process**

    Our Company plans to install automated material mixing and transportation for material filing to mould by using over tank vessels and piping to reduce material wastage and reduce manpower requirements.

  - **Machining process**

    Our Company plans to use wet cutting and machining process across the entire plant to make it more eco-friendly and to use high quality special purpose machines with computer numerical control machines to have precision cutting and machining process. This will increase efficiency, reduce material wastage and labour cost.

- **Packing Process**

  Our Company plans to introduce conveyer belt based online packaging system to improve packing speed which will increase efficiency, reduce labour cost and increase throughput ratio.

Our Business Operations:

Our Product Portfolio

Our product portfolio encompasses a wide range of offerings from Quartz kitchen sinks to Stainless Steel kitchen sinks, faucets, surfaces and food waste disposers. We cater to various needs in the kitchen. We also sell built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dishwashers, built-in ovens, microwave ovens, ice and coffee makers. We also offer a comprehensive selection of bathroom products, including water closets (WCs) and fittings.

Manufacturing Process of Quartz sinks and steel sinks

Quartz sinks are made of coated silica mixed with resins and pigments which goes under casting process through the heating cycle in mould. After the cycle time, sinks are demoulded, the sinks go for the waste hole drilling, finishing, quality checking and packaging.

Our Subsidiary Carysil Steel Limited is using PVD (Physical Vapour Deposition) technique for coating of the steel sink and faucets in different metallic colours for enhanced aesthetic value. PVD Coating encompasses a range of thin film deposition techniques in which a solid material is vaporised within a vacuum environment and then deposited onto substrates, resulting in a pure material or alloy composition coating. With this cutting-edge technology, our Subsidiary Carysil Steel Limited is able to deliver sinks and faucets that exhibit superior durability and aesthetics.

Capacity and Capacity Utilisation

The Company along with its subsidiary Carysil Steel Limited operates four manufacturing units in Bhavnagar, Gujarat, India, the details of which, as of Fiscals 2022, 2023 and 2024, are set out below:

Details of capacity of the Company's manufacturing facilities

Particulars	March 31, 2022	March 31, 2023	March 31, 2024
Installed Capacity	8,40,000	10,00,000	10,00,000
Production	6,85,955	4,89,764	6,04,149
Capacity Utilisation (in %)	81.66%	48.98%	60.41%

Details of capacity of the Carysil Steel Limited's manufacturing facility

Particulars	March 31, 2022	March 31, 2023	March 31, 2024
Installed Capacity	1,20,000	1,80,000	1,80,000
Production	1,08,542	1,11,763	1,49,754
Capacity Utilisation (in %)	90.45%	62.09%	83.20%

Research & Development and Product Innovation

Our Company has launched 100% green sink crafted using environmentally friendly materials. Our Company's innovative creation, the green sink is a bio-coated quartz sink made with a unique blend of natural ingredients like spinach, sandalwood, turmeric and beetroot. The sink incorporates recycled resin for its natural fiber component.

This invention introduces heat-curable, bio-based quartz sand as a filler for the casting composition of moulded articles. The quartz sand is either mixed with or coated with biobased organic materials, resulting in the filler material being 100% bio-based in nature.

Our Company's continued R&D and product innovation efforts have also helped us develop Farmhouse sinks which feature a sleek, straight steel front that offers complete protection to the cabinet, safeguarding it against water damage. Designed with practicality in mind, these sinks offer a large, single basin that provides ample space for tasks such as dish washing and food preparation. The overall finish of the product and thickness ensures durability and longevity. Our focus is also towards innovative products such as Quadro (Designer) Sinks, Micro Radius and Square Sinks.

Quality Control

We believe that quality control is critical to our continued success. Across our manufacturing facilities, we have put in place quality management systems that ensure sustainable and consistent quality as well as the safety of our products. We engage in continuous feedback and improvement as part of our quality improvement process. Our Company has a dedicated quality control team comprising of fifty six members, who are engaged in the quality control.

Environmental Matters

Our Company is subject to central and state laws and government regulations in India, including in relation to environment, health, safety, and labour welfare. These laws and regulations impose controls on air and water discharge an effluent treatment, and other aspects of our manufacturing operations in India. Further, our Company has manufacturing units at Bhavnagar, Gujarat. Labour-intensive nature of work at our Company's manufacturing facilities comprises health risk for the workforce due to reasons like machinery breakdown, human negligence, among others.

Our Company prioritizes the health and safety of our employees and undertakes several initiatives to promote employee health and quality of life. Our Company works to ensure a safe and healthy workplace and provides its employees with the benefits, resources and flexibility to maintain and improve their wellness.

Sales Network

Our Company has established relationships with our customers across the world. As of March 31, 2024, our Company has customers across Europe, United Kingdom, Asia (excluding India), America (North, Central and Latin), Middle East, Australia and Africa, with more than 80 customers.

As on March 31, 2024, our Company has a dealer network of over 3,200 spread across India supported by more than 90 customers and 65 galleries operated by our Company's distributors across the country.

Manpower

The detailed break-up of our Company' employees, as of March 31, 2024, is as under:

Department	No. of Employees
Sales & Marketing	137
Quality Control	56
Operations	197
IT	4
Accounts & Finance	17
Human Resources	17
Legal & Compliance	3
Total	431

As of March 31, 2024, our Company had approximately eight hundred and nineteen contract labourers from independent contractors who were, as on March 31, 2024, engaged at our Company's manufacturing facilities in Bhavnagar, Gujarat.

Competition

Our Company's competitors include established global Quartz kitchen sinks players.

The market comprises both international and domestic players. Leading companies prioritize innovation and new product launches to bolster their offerings. These major players consistently update their technologies to outpace rivals, ensuring efficiency and integrity. Manufacturers are rolling out quartz sinks with unique designs, drawing from a spectrum of ethnic influences. Blanco, Franke Group, Schock GmbH, and Carysil Limited are the leading manufacturers of Quartz kitchen sinks. (*Source: M&I Report*)

For further details, please refer to *"Industry Overview-Competitive Landscape*" on page 120.

Insurance

We maintain insurance policies that are customary for companies operating in our industry. Accordingly, our Company has obtained insurance policies for coverage against fire and special perils for one of its Company's operational manufacturing facility in Bhavnagar, as also the plant and machinery, the furniture and fixtures and electrical installations, installation plant, solar system and solar panel in the said facility. Further, all stock kept in the Company's godowns situated at Bhavnagar, are protected against fire, shock and earthquakes. Insurance of the goods exported by our Company are governed by the International Commercial Terms agreed with the customer which may be Free on Board, Cost Insurance and Freight or Delivered Duty Paid.

Further, our Company has obtained a directors and officers liability insurance.

Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and no assurance can be given that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Corporate Social Responsibility

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our Company has spent ₹ Rs. 110.36 Lakhs, ₹ 71.69 lakhs and ₹ 57.43 lakhs for the Fiscals 2024, 2023 and 2022, respectively, towards corporate social responsibility.

Intellectual Property

As on March 31, 2024, our Company is the (i) registered owner of 24 designs and applicant for registering 4 designs; (ii) registered owner of 65 trademarks and applicant for registering 15 trademarks*;* and (iii) registered owner of 1 patent and an applicant for registering 2 patents.

Immovable Property

Our Company's registered office is located at A-702, 7th Floor, Kanakia Wall Street, Chakala, Andheri - Kurla Road, Andheri (East), Mumbai - 400 093 (India), which is occupied by the Company on leave and license basis.

As of March 31, 2024, in India, we have four manufacturing facilities, out of which three are owned and operated by the Company and one by Carysil Steel Limited. Our Company has five warehouses/godowns in Bhavnagar, Gujarat out of which one warehouse is owned by the Company and four warehouses/godowns are occupied by the Company on rental basis. Additionally, the Company has five showrooms in India i.e., three in Mumbai, one in Gurugram and one in Ahmedabad, which are occupied by the Company on leave and license basis.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, our Company shall not have less than three Directors and more than fifteen Directors.

As of the date of this Placement Document, our Company has eight Directors, of which two are Executive Directors and six are Independent Directors (of which two are women Independent Directors).

The following table sets forth details regarding our Board as of the date of this Placement Document:

Sr. no.	Name, address, occupation, nationality, date of birth, term and DIN	Age (in years)	Designation
1.	Chirag Ashwinbhai Parekh *Address*: "Ashwanila", Devi Bhuvan, Victoria Park Road, Industrial Jewels, Bhavnagar - 364 003, Gujarat *Occupation:* Service *Nationality:* Indian *Date of Birth:* August 30, 1969 *Term:* For a period of 3 years with effect from November 1, 2021. *DIN*: 00298807	54 years	Chairman and Managing Director
2.	Sonal Vimal Ambani *Address*: Vimal House, Navrangpura, Ahmedabad - 380009, Gujarat *Occupation:* Service *Nationality:* Indian *Date of Birth:* April 19, 1959 *Term: For a period of 5 years with effect from April 01, 2020.* *DIN*: 02404841	65 years	Independent Director
3.	Rustam Navel Mulla *Address*: A/111, Grand Paradi Apartments, August Kranti Marg, Mumbai – 400026 *Occupation:* Service *Nationality:* Indian *Date of Birth:* November 20, 1971. *Term:* For the period of five years with effect from March 17, 2020. *DIN*: 00328070	52 years	Independent Director
4.	Pradyumna Rameshchandra Vyas *Address*: Flat No. 107, First Floor, 48K, Amaya Properties, Bhat Motera Link Road, Koteshwar, Ahmedabad – 380005	65 years	Independent Director

Sr. no.	Name, address, occupation, nationality, date of birth, term and DIN	Age (in years)	Designation
	Occupation: Service *Nationality:* Indian *Date of Birth:* December 07, 1958 *Term:* For the period of 5 years with effect from August 11, 2023. *DIN*: 02359563		
5.	Prabhakar Ramchandra Dalal *Address*: 1801, Bhoomi Arcade Ashok Nagar, Atmaram Sawant Marg, Kandivali (East), Mumbai, Maharashtra- 400101 *Occupation:* Service *Nationality:* Indian *Date of Birth:* January 9, 1953 *Term:* For a period of 5 years with effect from March 20, 2024. *DIN*: 00544948	71 years	Independent Director
6.	Katja Larsen *Address*: Shubhodaya 1st Floor, 20/4, Lavelle Road, 3rd Cross, Bangalore, Karnataka 560001 *Occupation: Service* *Nationality:* Danish *Date of Birth:* June 23, 1973 *Term:* For a period of 5 years with effect from March 20, 2024. *DIN*: 10289955	50 years	Independent Director
7.	Anandkumar Hausalaprasad Sharma *Address*: 35/204, Uranus C.H.S. Limited, E.M.P, Thakur Village, Opp. Nirvana Restaurant, Kandivali East, Mumbai-400101, Maharashtra. *Occupation:* Service *Nationality:* Indian *Date of Birth:* January 14, 1973 *Term:* For a period of 3 years with effect from February 01, 2024. *DIN*: 00255426	51 years	Executive Director and Group Chief Financial Officer and Chief Operating Officer.
8.	Dr. Savan Godiawala *Address:* 19, Niyojan Nagar Society, Opposite Manekbaugh Hall, Ambawadi, Ambawadi Vistar, Ahmedabad, Gujarat - 380015. *Occupation:* Service	55 years	Additional Independent Director

Sr. no.	Name, address, occupation, nationality, date of birth, term and DIN	Age (in years)	Designation
	Nationality: Indian *Date of Birth:* July 15, 1968 *Term:* For a period of 5 years with effect from May 20, 2024. *DIN:* 07874111		

^ Dr. Savan Godiawala has been appointed as an Additional Independent Director by the Board, in terms of the resolution passed by the Board on May 20, 2024. Dr. Savan Godiawala's appointment is subject to approval by the shareholders of the Company.

Corporate Governance

The Board of Directors presently consists of eight Directors. In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has six Independent Directors (including two women Independent Directors). Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations and the Companies Act, 2013, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board with detailed reports on its performance periodically.

Terms of Appointment of Executive Directors

Each of the Executive Directors of our Company are entitled to the following remuneration and perquisites:

Chirag Ashwinbhai Parekh

Pursuant to the shareholders' resolution dated September 22, 2021 and Board's resolution dated November 07, 2023, the Board has approved the revision of the remuneration and perquisites that are payable to Chirag Ashwinbhai Parekh. The details of the revised remuneration and perquisites are as follows:

- **Basic Salary:** ₹ 22,00,000 per month
- **Other allowances:** ₹ 22,00,000 per month
- **Commission**: other than the salary, perquisites and allowances, a commission at the rate of 2% per annum shall be payable on the profits calculated as per section 198 of the Companies Act, 2013;
- Provident fund (within limit of 12% of the basic salary).

Anandkumar Hausalaprasad Sharma

Pursuant to the board resolution dated January 31, 2024, and shareholder's resolution passed through postal ballot on May 02, 2024, Anandkumar Hausalaprasad Sharma is entitled to the following remuneration and perquisites:

- **Basic Salary:** ₹ 36,00,000 per annum
- **Other allowances:** ₹ 47,94,924 per annum
- **Performance Bonus / Perquisites / P.F. and Gratuity:** ₹ 16,05,076 per annum

The perquisites, performance bonus and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites, performance bonus and allowances shall be evaluated at actual cost.

Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred by him in the performance of duties.

Company's contribution to Provident Fund is not taxable under the Income tax Act, gratuity payable as per the Rules of the Company (within limit of 12% of the basic salary every year) and encashment of leave as per the Rules of the Company.

Sitting fees and remuneration by way of commission or otherwise

As per the Articles of Association of the Company, every Director of the Company shall be paid out of the funds of the Company such sum as the Directors may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Companies Act. The Directors shall also be paid travelling and other expenses for attending and returning from meeting of the Board and any other expenses properly incurred by them in connection with the business of the Company.

Pursuant to the resolution passed by our Board of Directors dated March 20, 2024, our non-executive Directors are entitled to sitting fees of ₹ 50,000 for attending each Board of Directors meeting and ₹ 30,000 for attending each meeting of the Audit Committee and ₹ 10,000 for attending each meeting of the Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee of the Board.

Remuneration paid to Executive Directors

The following table sets forth the details of remuneration paid by our Company to the Executive Directors of our Company for Fiscal 2022, Fiscal 2023, Fiscal 2024:

Sr. No.	Name	2023-2024 (Rs. in lacs)	2022-2023 (Rs. in lacs)	2021-2022 (Rs. in lacs)
1	Chirag A Parekh	608.75	480.40	336.56
2	Anand Sharma*@	13.59	-	-

** Anandkumar Hausalaprasad Sharma was not an Executive Director of the Company in Fiscal 2022 and Fiscal 2023.*
@ During the FY 2023-24, total remuneration paid to Anand Sharma is Rs. 62.45 lacs, out of which Rs. 13.59 lacs is paid as director w.e.f. 1st February, 2024.

Independent Directors and Non-Executive Directors:

Independent Directors

The following table sets forth the details of remuneration by way of sitting fees paid by our Company and our Subsidiaries to the Non-Executive/Independent Directors for Fiscal 2022, Fiscal 2023, Fiscal 2024:

Remuneration paid by our Company

Sr. No.	Name	2023-2024 (Rs. in lacs)	2022-2023 (Rs. in lacs)	2021-2022 (Rs. in lacs)
1	Jagdish Naik [2]	3.85	3.20	2.90
2	Ajit Sanghvi[2]	4.85	4.00	3.35
3	Pradeep Gohil[2]	4.45	4.05	3.35
4	Sonal Ambani	5.25	4.20	3.55
5	Rustam Mulla	4.05	3.30	2.70
6	Pradyumna Vyas[3]	2.40	-	-
7	Prabhakar Dalal[4]	0.50	-	-

Sr. No.	Name	2023-2024 (Rs. in lacs)	2022-2023 (Rs. in lacs)	2021-2022 (Rs. in lacs)
8	Katja Larsen[4]	0.50	-	-

Remuneration paid by our Subsidiaries

(*in ₹ in lakhs*)

Sr. No.	Particulars	Carysil Steel Limited	Carysil Online Limited	Sternhagen Bath Private Limited	Carysil Ceramitech Limited	Acrysil USA Inc	Total
	2023-2024						
1	Pradeep Gohil[2]	0.60	0.20	0.20	-	-	**1.00**
2	Sonal Ambani	0.70	0.20	0.20	0.40	-	**1.50**
3	Rustam Mulla	0.60	0.15	0.15	0.30	-	**1.20**
4	Pradyumna Vyas[3]	-	-	-	-	0.50	**0.50**
	2022-2023						
1	Pradeep Gohil[2]	0.60	0.20	0.20	-	-	**1.00**
2	Sonal Ambani	0.40	0.15	0.15	0.40	-	**1.10**
3	Rustam Mulla	-	-	-	0.40	-	**0.40**
	2021-2022						
1	Pradeep Gohil[2]	0.70	0.25	0.20	-	-	**1.15**
2	Sonal Ambani	0.70	0.25	0.20	-	-	**1.15**

[2] ceased to be independent directors of the company upon completion of their respective terms of five consecutive years on 31 March 2024

[3] appointment on August 11, 2023 and do not received any payments in the earlier years

[4] appointment on March 20, 2024 and do not received any payments in the earlier years

Shareholding of Directors

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Placement Document.

Sr. No.	Name of the Director	Designation	Number of Equity Shares	Percentage (%) shareholding
1.	Chirag Ashwinbhai Parekh	Chairman and Managing Director	86,33,480	32.16%
2.	Anandkumar Hausalaprasad Sharma	Executive Director, Group Chief Financial Officer and Chief Operating Officer	27,000	0.10%

Relationship with other Directors

None of our Directors are related to each other.

Borrowing powers of our Board

Pursuant to the special resolution dated September 22, 2021, our Board is authorized to borrow from time to time any sum or sums of monies as it may deem requisite for the purpose of the business of the Company, *inter alia*, by way of loan, financial assistance from various bank(s), financial institution(s) and/or other lender(s), issue of debenture(s) or bond(s) or other debt instrument(s) with or without security, whether in India or outside and through acceptance of fixed deposits and inter-corporate deposits whether in Indian Rupee or foreign currency, on such terms and conditions as the Board, at its sole discretion, may deem fit, notwithstanding that the monies so borrowed together with monies already borrowed by the Company (including the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount up to which monies may be borrowed by the Board shall not exceed a sum of ₹ 250 Crores at any point of time. Our borrowing limits may be changed from time to time, subject to approval of the Board and our Shareholders.

Interest of our Directors

Our Directors may be deemed to be interested to the extent of their remuneration, fees and commission, if any, payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them, and the Executive Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered and in case of Anandkumar Hausalaprasad Sharma also to the extent of the ESOPs granted to him pursuant to the Company's Acrysil Limited-Employee Stock Option Plan-2021'.

Except Chirag Ashwinbhai Parekh who is the Promoter of our Company, none of our Directors have any interest in the promotion of our Company.

Our Directors may also be regarded as interested in the Equity Shares held by them, if any, or held by or that which may be subscribed by or allotted to their relatives or the companies, firms or trusts, in which they are interested as directors, members, partners, trustees or promoter. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefits arising out of such holding**.**

No loans have been availed by our Directors from our Company.

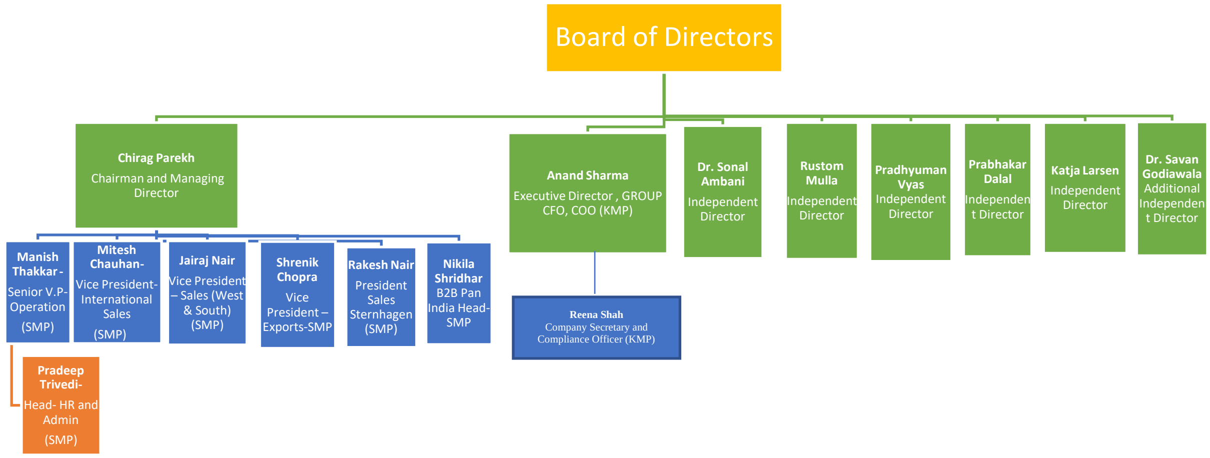
Except as provided in "*Related Party Transactions*" on page 36, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details relating to contracts, agreements or arrangements entered into by our Company during the last three Fiscals, in which the Directors are interested directly or indirectly and for payments made to them in respect of such contracts, agreements or arrangements and for other interest of Directors in respect to the related party transactions, during the last three Fiscals, see "*Related Party Transactions*" on page 36.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested.

Service contracts with Directors

Our Company has not entered into any service contract with any Director, which provide for benefits upon termination of employment.

Organisation Chart



Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Placement Document:

Sr. No.	Committee	Name and Designation of Members
1.	Audit Committee	i. Prabhakar Dalal (Chairman) ii. Sonal Vimal Ambani (Member) iii. Katja Larsen (Member) iv. Chirag Ashwinbhai Parekh (Member) v. Rustam Mulla (Member) vi. Pradyumna Vyas (Member) vii. Anandkumar Hausalaprasad Sharma (Member) viii. Savan Godiawala (Member)
2.	Nomination and Remuneration Committee	i. Pradyumna Vyas (Chairman) ii. Sonal Vimal Ambani (Member) iii. Chirag Ashwinbhai Parekh (Member) iv. Rustam Mulla (Member) v. Anandkumar Hausalaprasad Sharma (Member)
3.	Stakeholders Relationship Committee	i. Rustam Mulla (Chairman) ii. Anandkumar Hausalaprasad Sharma (Member) iii. Chirag Ashwinbhai Parekh (Member) iv. Sonal Vimal Ambani (Member)
4.	Risk Management Committee	i. Chirag Ashwinbhai Parekh (Chairman) ii. Anandkumar Hausalaprasad Sharma (Member) iii. Katja Larsen (Member) iv. Pradyumna Vyas (Member)
5.	Corporate Social Responsibility Committee	i. Chirag Ashwinbhai Parekh (Chairman) ii. Anandkumar Hausalaprasad Sharma (Member) iii. Sonal Vimal Ambani (Member)

Senior Management

The following are our Company's Key Managerial Personnel and Senior Management:

Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. The details of our Key Managerial Personnel in terms of the Companies Act and the SEBI Listing Regulations as on the date of this Placement Document are set forth below:

Sr. No.	Name	Designation
1.	Anandkumar Hausalaprasad Sharma	Executive Director, Group Chief Financial Officer and Chief Operating Officer
2.	Reena Tejas Shah	Company Secretary & Compliance Officer

Senior Management

The members of Senior Management are permanent employees of our Company. The details of the members of our Senior Management, as on the date of this Placement Document are set forth below:

Sr. No.	Name	Designation
1.	Manish Thakkar	Senior Vice President – Operation
2.	Mitesh Chauhan	Vice President – International Sales
3.	Jairaj Nair	Vice President – Sales (West & South)
4.	Shrenik Chopra	Vice President – Exports
5.	Rakesh Nair	President Sales – Sternhagen
6.	Pradeep Trivedi	Head –H.R., and Admin
7.	Nikila Shridhar	B2B Pan India Head

Relationship between Key Managerial Personnel and Senior Management

None of the Key Managerial Personnel and members of our Senior Management are related either to each other or to the Directors:

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have any bonus or profit-sharing plan with the Key Managerial Personnel or Senior Management, other than the bonus that is to be paid by the Company to the Key Managerial Personnel or Senior Management, pursuant to the terms of their appointment letters.

Service Contracts with Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management have not entered into any service contracts with our Company pursuant to which our Key Managerial Personnel and Senior Management are entitled to benefits upon termination of my employment /my retirement. Except for statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Key Managerial Personnel and Senior Management, is entitled to any benefit upon termination or superannuation of employment, as the case may be.

Interest of our Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependents in our Company, if any. The Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of any dividend payable to them, the ESOPs granted to them and other distributions in respect of Equity Shares held in our Company, if any.

Shareholding of our Key Managerial Personnel and Senior Management

Except as stated below, none of our Key Managerial Personnel or Senior Management hold any Equity Shares in our Company as on the date of this Placement Document:

Sr. No.	Name of KMP or SMP	Number of Equity Shares held	Percentage of paid-up Equity Share capital (In %)
1.	Anandkumar Hausalaprasad Sharma	27,000	0.10%
2.	Manish Thakkar	27,000	0.10%
3.	Mitesh Chauhan	17,025	0.06%

Prohibition by SEBI or Other Governmental Authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority. None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

Other Confirmations

1. None of the Directors, Promoter, Key Managerial Personnel or Senior Management of our Company has any financial or other material interest in the Issue.
2. Our Promoters, Directors and Key Managerial Personnel or Senior Management will not participate in the Issue.
3. Neither our Company, nor any of our Directors or Promoters are declared as a 'wilful defaulter' or a 'fraudulent borrower' by the Reserve Bank of India or any other bank or financial institution or consortium.
4. Neither our Company, nor our Directors or Promoters are currently debarred from accessing capital markets under any offence under any order or direction made by SEBI.
5. None of our Directors or Promoters have been declared as a Fugitive Economic Offender.
6. No change in control in our Company will occur consequent to the Issue.
7. No loans have been availed or extended by our Directors, Key Managerial Personnel or Senior Management from, or to, our Company or the Subsidiaries, except as disclosed in the "*Related Party Transactions"* of our Audited Consolidated Financial Statements.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three fiscals immediately preceding the date of this Placement Document, see "*Related Party Transactions*" on page 36.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate History

Our Company was originally incorporated as "Acrysil (India) Limited" as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 19, 1987 issued by the RoC. Thereafter, our Company's name was changed to "Acrysil Limited" pursuant to a fresh certificate of incorporation consequent on change of name dated November 16, 1998 issued by the RoC. Further, the name of our Company was subsequently changed from Acrysil Limited to "Carysil Limited" pursuant to a certificate of incorporation pursuant to a change of name dated October 26, 2022, issued by the RoC.

The CIN of our Company is L26914MH1987PLC042283 and our Registered Office is located at A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, India.

Organizational Structure

As of the date of this Placement Document, we have nine Subsidiaries and four step-down subsidiaries. For further details, see "*Definitions and Abbreviations*" and "*Financial Information*" on pages 18 and 185, respectively.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on March 31, 2024

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2024.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoter and Promoter Group	5	1,17,56,750	-	-	1,17,56,750	43.84	1,17,56,750	-	1,17,56,750	43.84	-	-	-	-	-	-	1,17,56,750
(B)	Public	57,981	1,50,59,180	-	-	1,50,59,180	56.16	1,50,55,541	-	1,50,55,541	56.16	-	-	-	-	-	-	1,45,92,075
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**57,986**	**2,68,15,930**	**-**	**-**	**2,68,15,930**	**100.00**	**2,6812,291**	**-**	**2,68,12,291**	**100.00**	-	-	-	-	-	-	**2,63,48,825**

Statement showing shareholding pattern of our Promoter and Promoter Group

The following table sets forth the details regarding the equity shareholding pattern of our Promoter and Promoter Group as on March 31, 2024

Category	Category & Name of shareholder (I)	Entity type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
									Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
									Class e.g.: Equity Shares	Class e.g.: Others	Total								
A(1)	**Indian**																		
(a)	Individuals/ Hindu Undivided Family		4	1,03,74,990	-	-	1,03,74,990	38.69	1,03,74,990	-	1,03,74,990	38.69	-	-	-	-	-	-	1,03,74,990
	Jatin R Parekh	Promoter Group	1	11,54,010	-	-	11,54,010	4.30	11,54,010	-	11,54,010	4.30	-	-	-	-	-	-	11,54,010
	Mala M Sanghrajka	Promoter Group	1	37,500	-	-	37,500	0.14	37,500	-	37,500	0.14	-	-	-	-	-	-	37,500
	Chirag Parekh	Promoter	1	86,33,480	-	-	86,33,480	32.20	86,33,480	-	86,33,480	32.20	-	-	-	-	-	-	86,33,480
	Shetal Chirag Parekh	Promoter	1	5,50,000	-	-	5,50,000	2.05	5,50,000	-	5,50,000	2.05	-	-	-	-	-	-	5,50,000
(b)	Any other (Specify)		1	13,81,760	-	-	13,81,760	5.15	13,81,760	-	13,81,760	5.15	-	-	-	-	-	-	13,81,760
	Acrycol Minerals Limited	Promoter Group	1	13,81,760			13,81,760	5.15	13,81,760	-	13,81,760	5.15							13,81,760
	Sub Total (A)(1)		**5**	**1,17,56,750**	**-**	**-**	**1,17,56,750**	**43.84**	**1,17,56,750**	**-**	**1,17,56,750**	**43.85**	-	-	-	-	-	-	**1,17,56,750**
A(2)	**Foreign**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total = A(1)+ A(2)		**5**	**1,17,56,750**	**-**	**-**	**1,17,56,750**	**43.84**	**1,17,56,750**	**-**	**1,17,56,750**	**43.84**	-	-	-	-	-	-	**1,17,56,750**

Statement showing shareholding pattern of the Public Shareholders

The following table sets forth the details regarding the equity shareholding pattern of the Public Shareholders as on March 31, 2024

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights: Class e.g.: Equity Shares	Class e.g.: Others	Total	Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
B(1)	**Institutions (Domestic)**																	
(a)	Mutual Funds	4	1,50,057	-	-	1,50,057	0.56	1,50,057	-	1,50,057	0.56	-	-	-	-	-	-	1,50,057
(b)	Alternative Investments Funds	6	17,68,929	-	-	17,68,929	6.60	17,68,929	-	17,68,929	6.60	-	-	-	-	-	-	17,68,929
	Abakkus Emerging Opportunities Fund - 1	1	15,44,474	-	-	15,44,474	5.76	15,44,474	-	15,44,474	5.76	-	-	-	-	-	-	15,44,474
(c)	Insurance Companies	1	42,800	-	-	42,800	0.16	42,800	-	42,800	0.16	-	-	-	-	-	-	42,800
	Sub-Total B(1)	**11**	**19,61,786**	**-**	**-**	**19,61,786**	**7.32**	**19,61,786**	**-**	**19,61,786**	**7.32**	-	-	-	-	-	-	**19,61,786**
B(2)	Institutions (Foreign)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Foreign Portfolio Investors Category-I	24	2,19,266	-	-	2,19,266	0.82	2,19,266	-	2,19,266	0.82	-	-	-	-	-	-	2,19,266
(b)	Foreign Portfolio Investors Category-II	4	12,948	-	-	12,948	0.05	12,948	-	12,948	0.05	-	-	-	-	-	-	12,948
	Sub-Total B(2)	**28**	**2,32,214**	**-**	**-**	**2,32,214**	**0.87**	**2,32,214**	**-**	**2,32,214**	**0.87**	-	-	-	-	-	-	**2,32,214**
B(3)	**Central Government / State Government (s)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B(4)	**Non-Institutions**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Key Managerial Personnel	1	21,600			21,600	0.08	21,600		21,600	0.08	-	-	-	-	-	-	21,600
(b)	Investor Education and Protection Fund (IEPF)	1	4,73,048			4,73,048	1.76	4,73,048		4,73,048	1.76	-	-	-	-	-	-	4,73,048

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(c)	Resident Individuals holding nominal share capital up to ₹2 lakhs	55396	91,37,257	-	-	91,37,257	34.07	91,27,521	-	91,27,521	34.04	-	-	-	-	-	-	87,61,302
(d)	Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	3	12,45,403	-	-	12,45,403	4.64	12,51,500	-	12,51,500	4.67	-	-	-	-	-	-	12,45,403
	Ashish Kacholia	1	10,00,000	-	-	10,00,000	3.73	10,00,000		10,00,000	3.73	-	-	-	-	-	-	10,00,000
(e)	Non-Resident Indians (**NRIs**)	1,469	7,15,064	-	-	7,15,064	2.67	7,15,064	-	7,15,064	2.67	-	-	-	-	-	-	7,12,564
(f)	Bodies Corporate	308	7,54,028	-	-	7,54,028	2.81	7,54,028	-	7,54,028	2.81	-	-	-	-	-	-	6,97,628
(g)	Any other (Specify)	764	5,18,780	-	-	5,18,780	1.93	5,18,780	-	5,18,780	1.93	-	-	-	-	-	-	4,86,530
(i)	Clearing Members	10	4,418	-	-	4,418	0.02	4,418	-	4,418	0.02	-	-	-	-	-	-	4,418
(ii)	Hindu Undivided Family	748	2,99,980	-	-	2,99,980	1.12	2,99,980	-	2,99,980	1.12	-	-	-	-	-	-	2,99,980
(iii)	Trusts	3	60,182	-	-	60,182	0.22	60,182	-	60,182	0.22	-	-	-	-	-	-	60,182
(iv)	Director or Director's Relatives	2	1,44,700	-	-	1,44,700	0.54	1,44,700		1,44,700	0.54	-	-	-	-	-	-	1,12,450
(v)	Foreign Portfolio Investors (Individual) - Category II	1	9,500	-	-	9.500	0.04	9,500	-	9,500	0.04	-	-	-	-	-	-	9,500
	Sub-Total B(4)	**57,942**	**1,28,65,180**	**-**	**-**	**1,28,65,180**	**47.98**	**1,28,61,541**	**-**	**1,28,61,541**	**47.97**	**-**	**-**	**-**	**-**	**-**	**-**	**1,23,98,075**
	Total B=B(1)+B(2)+B(3)+B(4)	**57,981**	**1,50,59,180**	**-**	**-**	**1,50,59,180**	**56.16**	**1,50,55,541**	**-**	**1,50,55,541**	**56.15**	**-**	**-**	**-**	**-**	**-**	**-**	**1,45,92,075**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to Bidding, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below, and investors are assumed to have apprised themselves of the same by our Company or the Book Running Lead Manager.

Our Company, the Book Running Lead Manager and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Bidders were advised to inform themselves of any restrictions or limitations that may be applicable to them and were required to consult their respective advisers in this regard. Bidders that have applied in the Issue were required to confirm and were deemed to have represented to our Company, the BRLM and their respective directors, employees, counsels, officers, agents, affiliates and representatives that they were eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLM and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder was eligible to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. For details, see "Selling Restrictions" and Transfer Restrictions and Purchaser Representations" on pages 161 and 169, respectively.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares have been offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- our Shareholders have adopted a special resolution approving the Issue. Such special resolution inter alia must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to a qualified institutions placement and (b) the Relevant Date.

- the explanatory statement to the notice to our Shareholders for convening the general meeting must disclose, amongst others, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoter or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, equity shares of the same class of our Company, which are proposed to be allotted through the qualified institutions placement, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to pass the above-mentioned special resolution;

- invitation to apply in the Issue must be made through a private placement offer letter (i.e., the Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made, within 30 days of recording the name of such person in accordance with applicable law; the allotments with respect to any earlier offer or invitation made by our Company shall have been completed or our Company shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act;

- in accordance with the SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be made only in dematerialized form;

- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of this Issue;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application letter (i.e., the Preliminary Placement Document and the Application Form), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited;

- the Directors are not fugitive economic offenders; and

- the Directors are not declared as 'Wilful Defaulter' or a 'Fraudulent Borrower' by the lending Banks or financial institution or consortium, in terms of Regulation 2(1) (lll) of the SEBI ICDR Regulations.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders were not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares to be issued under this Issue is not less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Capital Raising Committee decided to open the Issue and "stock exchange", for the purposes of determination of price, means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the approval of our Board dated March 20, 2024 and the approval accorded by the shareholders through their special resolution passed (through postal ballot) on May 02, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of our Shareholder's resolution approving the Issue, being May 02, 2024 and within 60 days from the date of receipt of Application Amount from the Successful Bidders failing which our Company shall refund the Bid Amount in accordance with applicable laws. For details of refund of Application Amount, see "*Pricing and Allocation – Designated Date and Allotment of Equity Shares*" on page 157.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document, which shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Placement

Document addressed to you, you may not rely on this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

This Issue was authorized and approved by our Board on March 20, 2024 and approved by our Shareholders', by way of a resolution dated May 02, 2024.

The minimum number of allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹2,500 million; and
- five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see "*Bid Process - Application Form*" on page 153.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognized stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and have not been offered or is being sold, and Bids may not be made by persons in any jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue have been offered and are being sold only outside the United States in *"*offshore transactions*"* as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see the section titled "*Selling Restrictions*" on page 161.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has filed a copy of the Preliminary Placement Document with the Stock Exchanges and a copy of this Placement Document will be filed with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE on July 01, 2024.

Issue Procedure

1. On the Issue Opening Date, our Company and the Book Running Lead Manager circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Forms were specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, our Company has maintained records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Forms have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act and the PAS Rules. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form has been delivered will be determined by our Company in consultation with the BRLM, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount was to be deposited, was addressed to a particular Eligible QIB, no invitation to make an offer to subscribe was deemed to have been made to such Eligible QIB.** Even if such documentation were to

come into the possession of any person other than the intended recipient, no offer or invitation to offer was deemed to have been made to such person and any application that did not comply with this requirement shall be treated as invalid.

3. Eligible QIBs were required to submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Manager. Application Form was to be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could have submitted an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB during the Issue Period, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids were made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders were required to indicate the following in the Application Form:

- A representation that it is outside the United States and it has agreed to certain other representations, warranties and undertakings set forth in the "*Notice to Investors*", "*Representation by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 1, 3, 161 and 169, respectively, and certain other representations as set forth in the Application Form;

- full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details and bank account details;

- number of Equity Shares Bid for;

- price at which they were agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

- Equity Shares held by the Eligible QIBs in our Company prior to the Issue;

- details of the depository account to which the Equity Shares should be credited; and

- Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

5. Each Bidder was required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was to be made from the bank accounts of the relevant Bidders and our Company has keept a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders has been paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, Application Amounts received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application

Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "*Refunds*" on page 158.

6. Once a duly completed Application Form is submitted by a Bidder during the Issue Period and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company has disclosed the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and the Eligible QIBs consent to such disclosure, if any Equity Shares were allocated to them.

8. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, on or after the Issue Closing Date, our Company has, in consultation with Book Running Lead Manager determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Manager will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder will be deemed valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN will contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation has been made at the absolute discretion of our Company and is based on the recommendation of the Book Running Lead Manager.**

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Manager, will send on our behalf, a serially numbered Placement Document to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

16. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in the Refund Intimation which will be dispatched to such Bidder.

Eligible Qualified Institutional Buyers

Only Eligible QIBs were eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules were considered as Eligible QIBs. FVCIs were not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs were permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules respectively, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of the post-Issue equity share capital of our Company, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up equity share capital of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

With effect from April 1, 2020, the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route). Further, if any FPI holds 10% or more of the Equity Share capital of our Company, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company, the BRLM and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they were eligible to apply in the Issue. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the Book Running Lead Manager who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs were to only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document and this Placement Document, the Eligible QIB was deemed to have made the following representations, warranties, acknowledgements and undertakings as well as those given or made under the sections "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 1, 3, 161 and 169 respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoter;

4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

6. The Eligible QIB confirms that it is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

7. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

8. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Manager. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

9. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act 2013, upon Allocation, our Company will be required to disclose names as proposed Allottees and percentage to post-Issue shareholding of the proposed Allottees in the Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

10. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(c) of the SEBI Takeover Regulations;

11. The Eligible QIB acknowledges that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

12. The Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to their beneficiary accounts maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares Allotted in the Issue are issued by the Stock Exchanges; and

13. The Eligible QIB confirms that it is outside the United States and it has agreed to certain other representations set forth in the Application Form.

ELIGIBLE QIBS WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS WERE REQUIRED TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO, REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS AN "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form during the Issue Period and payment of the Application Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form included details of the relevant Escrow Account into which the Application Amounts was required to be deposited. The Application Amount was required to be deposited in the Escrow Account as is specified in the Application Form and the Application Form was required to be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at either of the following addresses:

Equirus Capital Private Limited
12th Floor, C Wing, Marathon, Futurex,
N M Joshi Marg Lower Parel,
Mumbai – 400 013,
Maharashtra, India
Contact Person: Jenny Bagrecha
Email: carysil.qip@equirus.com
Phone: +91 022 4332 0735

The Book Running Lead Manager was not required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue was required to pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

Payment of Application Amount

Our Company has opened the Escrow Account in the name and style "CARYSIL LIMITED – QIP-2024" with the Escrow Bank, in terms of the arrangement among our Company, the Book Running Lead Manager and the Escrow Bank. Bidders were required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques or demand draft or cash shall be rejected.

If the payment is not made favouring the "CARYSIL LIMITED – QIP-2024" account within the Issue Period stipulated in the Application Form, the Application Form of the QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "CARYSIL LIMITED – QIP-2024" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "*Refunds*" on page 158.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN allotted under the Income Tax Act, 1961 in the Application Form and enclose a copy of the PAN card or PAN allotment letter along with the Application Form to the extent applicable. Applications without this information were considered incomplete and were liable to be rejected. Bidders were required not to submit the GIR number instead of the PAN as the Application Form was liable to be rejected on this ground.

Bank Account Details

Each Bidder was required to mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs were required to submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book is required to be maintained by the Book Running Lead Manager.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Manager, is required to determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders through a resolution (passed through postal ballot) dated March 20, 2024.

After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and will file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company was required to determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price were required to be grouped together to determine the total demand. The Allocation to all such Eligible QIBs were required to be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size were required to be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Manager had the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION WAS FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES WAS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, will decide the Successful Bidders to whom the serially numbered CAN will be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allotted will be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders will also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs will be deemed a valid, binding and irrevocable contract for the Eligible QIBs to furnish all details that may be required by the Book Running Lead Manager. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees

Eligible QIBs were advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB is deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

The Equity Shares in the Issue will be issued, and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Successful Bidders' beneficiary demat accounts maintained with the Depository Participant, as indicated in the respective Application Form, our Company will apply for final trading and listing approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company will be disclosed in the Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Book Running Lead Manager and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC.

After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and will file the same with the Stock Exchanges as the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the Refund Intimation. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Application Amount, our Company shall repay the Application Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Manager, could have rejected the Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Manager in relation to the rejection of Bids will be final and binding. In the event the Bid was rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details see "*Refund*" on page 158.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Manager will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

Release of funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "CARYSIL LIMITED – QIP-2024" account to our Company until receipt of notice from the Book Running Lead Manager, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

PLACEMENT

Placement Agreement

The BRLM has entered into the Placement Agreement dated June 29, 2024 with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage the Issue and to act as a placement agent in connection with the proposed Issue and procure subscription to Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62(1)(c) of the Companies Act read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

The Preliminary Placement Document and this Placement Document have not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and have not been offered or are being sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue were offered and are being sold only outside the United States in *"*offshore transactions*"* as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see section titled "*Selling Restrictions*" on page 161.

Applications shall be made to list the Equity Shares to be issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Relationship with the Book Running Lead Manager

In connection with the Issue, the BRLM (or its affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The affiliates of the BRLM may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "*Offshore Derivative Instruments*" on page 8.

From time to time, the BRLM, its affiliates and its associates have been engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, commercial banking, trading services for our Company, our Subsidiaries, group companies, affiliates and our shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM and its respective affiliates.

Lock-up

Company Lock-up

Under the Placement Agreement, the Company has undertaken that it will not for a period of 180 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, directly or indirectly:

(a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option (other than employee stock options) or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing;

(b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise);

(c) deposit the Equity Shares with any other depository in connection with a depositary receipt facility;

(d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

Provided that the abovementioned restrictions shall not apply to the issuance of employee stock options by the Company, including the granting, vesting and exercise of the employee stock options and the allotment of equity shares by the Company pursuant to the policy/plan framed by the Company in relation to such employee stock options.

Promoters and Promoter Group Lock-up

Under the Placement Agreement, the Promoters and each member of the Promoter Group has undertaken that it will not for a period of 180 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Manager, directly or indirectly:

(a) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing;

(b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares;

(c) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Equity Shares; or

(d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

Provided that the abovementioned restrictions shall not apply to the transfer(s) of securities held by the Promoters and each member of the Promoter Group in the Company (i) amongst the Promoters and each member of the Promoter Group; and (ii) for estate planning purpose and subject to (a) observance by the transferee of the foregoing restrictions on transfer of the Equity Shares until the expiry of a period of 180 days from the date of Allotment under the Issue; and (b) the aggregate shareholding percentage of Promoters and Promoter Group in the Company remaining unchanged.

SELLING RESTRICTIONS

General

Except in India, no action has been taken or will be taken by our Company or the BRLM that would permit the offering of the Equity Shares in the Issue to occur in any jurisdiction, or the possession, circulation or distribution of this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares offered in this Issue may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Issue may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. Persons who may come into possession of this Placement Document or any other materials related to the Issue are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described in this section and under "*Notice to Investors*", "*Representations by Investors*" and "*Transfer Restrictions and Purchaser Representations*" on page 1, 3 and 169, respectively.

Republic of India

The Issue will be made in compliance with the SEBI ICDR Regulations, Sections 42 and 62(1)(c) of the Companies Act, read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder.

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Placement Document and nothing in this Placement Document should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Equity Shares offered in the Issue.

This Placement Document does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Placement Document or making a decision to invest in the Equity Shares offered in the Issue, prospective investors should seek professional advice as to whether investing in the Equity Shares is appropriate in light of their own circumstances.

Neither the Book Running Lead Manager nor any of its affiliates is the holder of an Australian Financial Services Licence.

Bahrain

This Placement Document may only be distributed to Accredited Investors as defined by the Central Bank of Bahrain and the Equity Shares offered in the Issue may be offered and sold only to Accredited Investors as defined by the Central Bank of Bahrain by way of private placement in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to purchase the Equity Shares in the Issue may be to the public in the Kingdom of Bahrain and this Placement Document may not be issued, passed to, or made available to the public generally.

The Central Bank of Bahrain, the Bahrain Bourse and the Ministry of Industry, Commerce and Tourism of the Kingdom of Bahrain take no responsibility for the accuracy of the statements and information contained in this Placement Document or the performance of the Equity Shares, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

People's Republic of China

This Placement Document does not constitute an offer of the Equity Shares offered in the Issue, whether by way of sale or subscription, in the People's Republic of China (the "**PRC**"). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Book Running Lead Manager for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Running Lead Manager of such fact in writing and has received the consent of the Book Running Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Manager has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

This Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Placement Document has not been, and will not be, registered as a "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("**CO**") nor has it been authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("**SFO**"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

This Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Placement Document must not be issued, circulated or distributed in Hong Kong other than:

(a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or

(b) in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Placement Document may issue, circulate or distribute this Placement Document in Hong Kong or make or give a copy of this Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Japan

No securities registration statement in relation to the solicitations of the Equity Shares offered in the Issue in Japan (the "**Solicitations**") has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and Exchange Law of Japan (the "**FIEL**"). The Solicitations shall only be made (i) to Qualified Institutional Investors and (ii) to no more than 49 persons (excluding any Qualified Institutional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Any Qualified Institutional Investors who acquire Equity Shares in the Issue (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, except to Qualified Institutional Investors; and (b) shall deliver a notification indicating (a) and (b) herein to any transferee of the Equity Shares.

Capitalized terms used in this sub-section and not defined in this Placement Document have the meanings given to those terms in the FIEL.

Jordon

The Equity Shares offered in the Issue have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the Hashemite Kingdom of Jordan in a manner that would constitute a public offering. This Placement Document has not been and will not be reviewed or approved by, or registered with, the Jordan Securities Commission in accordance with its regulations and any other regulations in the Hashemite Kingdom of Jordan. The Equity Shares are not and will not be traded on the Amman Stock Exchange. The Equity Shares have not been and will not be offered, sold or promoted or advertised in Jordan other than in compliance with the Securities Law No. (76) of 2002, as amended, the Law Regulating Dealings in Foreign Exchange No. (50) of 2008, and regulations issued pursuant thereto governing the issue of offering and sale of securities. Without limiting the foregoing, the Equity Shares have not been and will not, in any manner, be offered, sold, promoted or advertised to more than thirty (30) persons in Jordan, without complying with the required approval and notification requirements set-out under the above-referenced laws and the regulations issued pursuant to them.

Kuwait

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. This Placement Document is for the exclusive use of the person to whom it has been given by the Book Running Lead Manager and is a private concern between the sender and the recipient.

New Zealand

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMA Act**"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Oman

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the Book Running Lead Manager received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. The Book Running Lead

Manager is not a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The Book Running Lead Manager does not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of the Equity Shares in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Book Running Lead Manager are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Book Running Lead Manager are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Singapore

This Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") under the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**"). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an "institutional investor" within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

(a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "**South African Companies Act**"); and

(b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act,

and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act. This Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of our Company is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. None of our Company, the Book Running Lead Manager or any of its affiliates is a financial services provider licenced as such under the FAIS Act.

South Korea (Republic of Korea)

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because such offering in Switzerland is directed only at investors classified as "professional clients" within the meaning of the FinSA and the Equity Shares offered in the Offer will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to "private clients" within the meaning of the FinSA in Switzerland.

Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the Book Running Lead Manager that it is a "professional client" within the meaning of the FinSA and that it has not opted-in to be treated as a "private client" on the basis of article 5(5) of the FinSA.

This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance.

The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority ("**FINMA**") thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of this Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, this Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of this Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Placement Document and nor does any such entity accept any liability for the contents of this Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved this Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this Placement

Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Placement Document is directed only at relevant persons. Other persons should not act on this Placement Document or any of its contents. This Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and have not been offered or are being sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue were offered and are being sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Transfer Restrictions and Purchaser Representations*" on page 169. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in "*Transfer Restrictions and Purchaser Representations*" on page 169.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. In addition to the above, Allotments made to Eligible QIBs including VCFs and AIFs may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "*Selling Restrictions*" on page 161 and the following resale restrictions.

United States

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and were offered and sold to it in reliance on Regulation S.

- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.

- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).

- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.

- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees to indemnify and hold our Company and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

- It acknowledges that our Company, the Book Running Lead Manager and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares purchased in the Issue made other than in compliance with the restrictions set forth herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLM or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**"). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum level of public shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, the PAS Rules and the SEBI ICDR Regulations. A company's directors and promoter shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial results (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the "**Insider Trading Regulations**") have been notified by SEBI to amongst other things, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The Insider Trading Regulations also impose certain restrictions on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoter, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the Insider Trading Regulations.

The Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis. An "insider" means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term "connected person" means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship between himself and the company, whether temporary or permanent, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access. Additionally, the Insider Trading Regulations deems certain persons as "connected person".

The Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down, for all scrips in the compulsory rolling settlement. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

Trading Hours

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST that has been introduced). BSE and NSE are closed on public holidays.

Internet-based securities trading and security trading using wireless technology services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE online trading facility in 1995. This 100% automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform BOLT Plus. NSE has a fully automated trading system called NEAT, which operates on strict time/price priority besides enabling efficient trade.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**Takeover Regulations**") provide specific regulations in relation to substantial acquisition of shares and takeovers. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of our Company is ₹ 80,000,000 comprising of 40,000,000 Equity Shares (of face value of ₹ 2 each). As on the date of this Placement Document, the issued, subscribed and paid-up capital of our Company is ₹ 5,36,90,510 comprising of 26,845,255 Equity Shares (of face value of ₹ 2 each). The Equity Shares are listed on BSE and NSE.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each fiscal year. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any fiscal year except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous fiscal year(s) arrived at as laid down by the Companies Act.

According to the Articles of Association, the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In addition, as is permitted by the Articles of Association, the Board may from time to time pay to the members such interim dividends of such amount as appear to it to be justified by the profits of the Company. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

Capitalisation of profits and issue of bonus shares

In addition to permitting dividends to be paid as described above, the Companies Act permits the Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up bonus shares, an amount transferred from the Company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them.

As per the Articles of Association, the Company in general meeting may, upon the recommendation of the Board, resolve that (a) it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner set out in the Articles of Association amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Alteration of share capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. The Board is entitled to make private placement and preferential issue of Equity Shares, debentures, preference shares or any other instruments to such class of persons as the Board may deem fit which would be convertible or exchanged with Equity Shares, at a later date or such other securities as may be permissible to be issued by our Company under any law from time to time.

Under the provisions of Section 62(1)(c) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our shareholders in a general meeting. Further, the Companies (Share Capital and Debentures) Rules, 2014 prescribe that price of shares to be issued on preferential basis by a listed company need not be determined by the valuation report of the registered valuer.

In accordance with the Articles of Association, subject to the provisions of the Companies Act, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the conduct of the Company's business and shares to be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. The Company may issue the following kinds of shares in accordance with the Articles of Association, the Companies Act, the Rules and other applicable laws: (a) Equity share capital: (i) with voting rights; and/or (ii) with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed and (b) Preference share capital. The Board or the Company as the case may be, may, in accordance with the Companies Act and the Rules, issue further shares capital to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or employees under any scheme of employees stock option; or any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to above. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Companies Act and the Rules.

Issuance of Preference Shares

Subject to the provisions of the Companies Act, and in accordance with the Articles of Association, the Board has the power to issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Companies Act.

General meetings of shareholders

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of our Company's issued paid-up capital carrying a right to vote on such date.

As per the provisions of the Companies Act and the Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The Board may, whenever it thinks fit, call an Extraordinary General Meeting. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in the Companies Act. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.

Voting rights

Subject to provisions of the Companies Act and in accordance with the Articles of Association, subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member present in personal shall have one vote and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company. A member may exercise his vote at a meeting by electronic means in accordance with the Companies Act and shall vote only once. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. We have entered into an agreement for such depository services with NSDL and CDSL. SEBI requires that our shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The registrar and transfer agent shall maintain a register in which every transfer or transmission of shares will be entered. In addition to complying with the Companies Act and the other applicable laws, our Company is also required to comply with the provisions of the SEBI Listing Regulations for effecting the transfer of shares. In terms of the SEBI Listing Regulations, except in case of transmission or transposition of shares, requests for effecting transfer of shares shall not be processed unless the shares are held in the dematerialized form with a depository and that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. The Equity Shares shall be freely transferable, subject to applicable laws.

Winding up

Our Articles of Association provide that subject to the provisions of the Companies Act and the Rules made thereunder, if the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

TAXATION

To,
Board of Directors
Carysil Limited
A-702, 7th Floor
Kanakia Wall Street, Chakala
Andheri Kurla Road, Andheri (East)
Mumbai - 400 093

To,
Equirus Capital Private Limited
12th Floor, C Wing, Marathon, Futurex
N M Joshi Marg Lower Parel
Mumbai – 400 013

Dear Sirs,

Re.: **Certificate on special tax benefits**

Sub: Proposed Qualified Institutions Placement ("**the Issue**") of equity shares of face value of ₹ 2 each (the "**Equity Shares**") of Carysil Limited ("**the Company**") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**").

We, **P A R K & Company**, Chartered Accountants, Statutory Auditors of the Company hereby report that -

the enclosed Annexure A, prepared by the Company, for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiary, Carysil UK Limited, under direct and indirect taxes ("**the Tax Laws**") presently in force in India and respective jurisdictions of Material Subsidiary as on the date of this certificate. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure A do not cover any general tax benefits available to the Company, its shareholders and its material subsidiary in normal course of business. Further, the preparation of the enclosed Annexure A and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for tax professional advice.

The benefits discussed in the enclosed annexure are not exhaustive. Annexure A is for your information and we consent its inclusion in the Preliminary Placement Document ("**the PPD**") and this Placement Document to be filed by the Company with the Securities and Exchange Board of India ("**the SEBI**") and any other authority and such other documents as may be prepared in connection with the Issue.

In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

i) the Company, or its shareholders, or its material subsidiaries will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with; or

iii) the revenue authorities / courts will concur with the views expressed herein.

The aforesaid information contained herein and in **Annexure A** can be relied upon by Equirus Capital Private

Limited referred ("Book Running Lead Manager" or "the BRLM pursuant to the Issue can be submitted to the SEBI and any other regulatory or statutory authority in respect of the Issue and for the records to be maintained by the BRLM in connection with the Issue.

We undertake to immediately inform in writing to the BRLM and Legal Counsel to the Issue in case of any changes to the above until the date when the Equity Shares issued pursuant to the Issue commence trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

This letter may be relied on by the BRLMs, their affiliates and legal counsel in relation to the Offer and to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We confirm that the information in this certificate is true, fair and accurate, and is in accordance with the requirements of the Companies Act, 2013 as amended, the SEBI ICDR Regulations and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This statement is prepared for inclusion in the Preliminary Placement Document (PPD) and the Placement Document in connection with the Issue.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the PPD and the Placement Document.

For P A R K& COMPANY
Chartered Accountants
FRN: 116825W

Bhavnagar
24 June 2024

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 24170275BKGFFP8613

ANNEXURE A

Under the Direct Tax Laws:

The Company, its Material Subsidiary and shareholders of the Company are not entitled to avail any special tax benefit under the Direct Tax Laws.

Under the Indirect Tax Laws:

The Company, its Material Subsidiary and shareholders of the Company are not entitled to avail special tax benefit under the Indirect Tax.

Note: In respect of overseas subsidiary, we have relied upon the certificate of the respective auditors/management of the respective companies.

LEGAL PROCEEDINGS

Our Company is involved in certain legal proceedings initiated by it, in the ordinary course of business, against certain customers on account of their default in making payment of dues owed by them to the Company. These legal proceedings are primarily in the nature of civil proceedings and proceedings initiated by the Company under Section 138 of the Negotiable Instruments Act, 1881, which are pending before various adjudicating forums.

*There is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy on Disclosure of Material Events or Information" framed in accordance with Regulation 30 of the SEBI Listing Regulations, as amended, adopted by the Board on September 12, 2023 and the materiality threshold as approved by the Capital Raising Committee on June 13, 2024 ("**Materiality Policy**"). Further, the Company is presently not involved in any tax dispute or proceedings.*

Our Company has, solely for the purpose of this Issue, disclosed in this section:

- *All outstanding criminal proceedings involving our Company, our Subsidiaries, our Directors and our Promoter;*
- *outstanding actions by statutory or regulatory authorities against our Company, our Subsidiaries, our Directors and Promoter;*
- *outstanding civil proceedings involving our Company and our Subsidiaries, where the amount involved in such proceeding exceeds, the lower of the following:*

  i. two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
  ii. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
  iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;

  being ₹291.78lakhs i.e., 5% of the average of absolute value of profit after tax as per the Audited Consolidated Financial Statements for Fiscal 2024, Fiscal 2023 and Fiscal 2022;
- *outstanding direct and indirect tax matters involving our Company and our Subsidiaries (disclosed in a consolidated manner);*
- *any other outstanding litigation involving our Company and our Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis, and*
- *other outstanding litigation involving our Promoter and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company, on a consolidated basis.*

Further, except as disclosed in this section, there are no:

- *inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of this Placement Document, involving our Company and its Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document, involving our Company and our Subsidiaries;*
- *material frauds committed against our Company and our Subsidiaries in the last three years, and if so, the action taken by our Company and our Subsidiaries;*
- *significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company on a consolidated basis;*
- *defaults by our Company and our Subsidiaries, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon;*

- *defaults in annual filings of our Company under the Companies Act, 2013; and*

- *any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Placement Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.*

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Subsidiaries, our Directors and our Promoter, from third parties (excluding statutory/ regulatory/ governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Subsidiaries, our Directors and our Promoter, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced. Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

Litigation involving our Company

Litigation against our Company

Criminal proceedings

Nil

Actions taken by regulatory and statutory authorities

Nil

Civil proceedings above the Materiality Threshold

Nil

Litigation by our Company

Criminal proceedings

The Company has filed complaints before the Metropolitan Magistrate's Court, Andheri, against certain customers (and their respective proprietors/partners/directors), pursuant to Section 138 of the Negotiable Instruments Act, 1881, on account of the dishonour of cheques issued to the Company by these customers, towards payment for products delivered by the Company.

The aggregate amount in relation to which the abovementioned legal proceedings have been issued by the Company is ₹ 48,85,189.

Civil proceedings above the Materiality Threshold

Nil

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Criminal proceedings

Nil

Actions taken by regulatory and statutory authorities

Nil

Civil proceedings above the Materiality Threshold

Nil

Litigation by our Subsidiaries

Criminal proceedings

Our subsidiary Carysil Steel Limited has filed a complaint before the Metropolitan Magistrate's Court, Andheri, against its customer and its proprietor, pursuant to Section 138 of the Negotiable Instruments Act, 1881, on account of the dishonour of cheque of an amount of ₹ 11, 56,685 issued to the Carysil Steel Limited by the said customer.

Civil proceedings above the Materiality Threshold

Nil

Other outstanding litigation involving our Company and our Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis

Nil

Litigation involving our Directors

Criminal proceedings against our Directors

Nil

Criminal proceedings by our Directors

Nil

Actions taken by regulatory and statutory authorities

Nil

Litigation involving our Promoter

Criminal proceedings against our Promoter

Nil

Criminal proceedings by our Promoter

Nil

Actions taken by regulatory and statutory authorities

Nil

Other outstanding litigation involving our Promoter and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company, on a consolidated basis

Nil

Inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of this Placement Document, involving our Company and its Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document, involving our Company and its Subsidiaries

Nil

Material frauds committed against our Company and its Subsidiaries in the last three years, and if so, the action taken by our Company and Subsidiaries

Nil

Significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company on a consolidated basis

Nil

Default by our Company and its Subsidiaries, including therein the amount involved, duration of default and present status, in repayment of statutory dues, debentures and interest thereon, deposits and interest thereon and loan from any bank or financial institution and interest thereon.

Nil

Default in annual filings of our Company under the Companies Act, 2013

Nil

Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Placement Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

Nil

Tax litigation

Nil

STATUTORY AUDITORS

In term of the provisions of Section 139 of the Companies Act, M/s. P A R K & COMPANY, Chartered Accountants, were re-appointed as the Statutory Auditors pursuant to a resolution adopted by our Shareholders' at the AGM held on September 29, 2022 (35th AGM) for a period of five years, commencing from the conclusion of the 35th AGM (September 29, 2022) till the conclusion of the 40th AGM of the Company.

The Audited Consolidated Financial Statements have been audited by our Statutory Auditors, M/s. P A R K & COMPANY, Chartered Accountants.

The peer review certificate of our Statutory Auditor is valid as of the date of this Placement Document.

FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

To
The Members of
CARYSIL LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Carysil Limited ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2024, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, a summary of the significant accounting policies and notes to the consolidated financial statements (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2024 and of the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters in respect of the Parent Company to be communicated in our report:

PARK & COMPANY Chartered Accountants

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue Recognition Revenue from the sale of goods ("Revenue") is recognized when the Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company.	Our audit approach was a combination of test of internal controls and substantive procedures including assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof; evaluating the integrity of the general information and control environment and testing the operating effectiveness of key controls.
IT systems and controls over financial reporting The Company has, from the current year, migrated under SAP environment. The system is fully integrated financial accounting and reporting system. This new Enterprise Resource Planning (ERP) system replaces traditional controls. We, therefore, identified IT system and controls over financial reporting as a Key Audit Matter because its financial accounting and reporting systems are reliant on IT systems and IT controls.	We assessed the complexity of the IT environment and design and operating effectiveness of IT general controls over program development and changes, access to programs and data; We also obtained details of SAP governance framework, tested sample critical transactions and interface controls between SAP environment and other auxiliary systems.
Carrying Value of Goodwill The group has recognised a goodwill on consolidation of Rs. 11,353.03 lacs in its Consolidated Financial Statements for the year ended 31st March, 2024, pursuant to a business combination in the said accounting year. The goodwill has to be tested for impairment annually, which requires significant judgment on the part of the management in identifying and valuing the relevant cash generating unit that contains goodwill.	The management has carried out exercise to determine fair valuation of the respective cash generating units. We gained an understanding of the key assumptions and judgments used to forecast the cashflows and the discount rates applied in the arriving at the fair value.

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

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does not include the consolidated financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

PARK & COMPANY Chartered Accountants

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Financial Statements

The Parent 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

PARK & COMPANY Chartered Accountants

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of eight subsidiaries, whose financial results reflects total assets of Rs. 30,682.35 lacs as at 31st March, 2024 as well as total revenues of Rs. 32,107.38 lacs, net profit after tax including other comprehensive loss of Rs. 2,890.69 lacs for the year ended on that date as considered in the consolidated financial results. Our report on the statement is not modified in respect of this matter with respect to our reliance on the work done and the reports of other auditors.

Five subsidiaries whose financial results reflects total assets of Rs. 9,013.29 lacs as on 31st March, 2024 as well as total revenues of Rs. 4,332.97 lacs, net loss after tax including other comprehensive income Rs. 647.62 lacs for the year ended on that date as considered in the consolidated financial results which have not been audited by its auditors. These unaudited financial results and other financial information have been approved and furnished to us by the management. According to the information and explanations given to us by the management, these financial information are not material to the Group.

PARK & COMPANY Chartered Accountants

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except following:

Sr. No.	Name/CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
1	Carysil Limited L26914MH1987PLC042283	Parent Company	(v)	Deposit under section 73 & 76
2	Carysil Online Limited U52100MH2013PLC241702	Subsidiary	(xvii)	cash losses
3	Carysil Ceramictech Limited U26999MH2022PLC380174	Subsidiary	(xvii)	Cash losses
4	Sternhagen Bath Private Limited U25200MH2011PTC212405	Subsidiary	(xvii)	Cash losses

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;

   c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

PARK & COMPANY Chartered Accountants

e) On the basis of written representations received from the directors as on 31st March 2024, and taken on record by the Board of Directors of the Parent Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2024, from being appointed as a director in terms section 164(2) of the Act;

f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure - A may be referred;

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and according to the reports of the auditors of the subsidiaries incorporated in India, remuneration paid by the Parent Company and its subsidiaries incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;

iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiaries incorporated in India.

iv. a. The respective managements of the Parent Company and its subsidiaries incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, to the best of their knowledge and belief as disclosed in note 39 (h) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or subsidiaries or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or subsidiaries ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

b. The respective managements of the Parent Company, its subsidiary incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, to the best of their knowledge and belief as disclosed in note 39(i) to the consolidated financial statements, no funds have been received by the Parent Company or subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiaries 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;

PARK & COMPANY Chartered Accountants

c. Based on such 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 (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid during the year by the Parent Company is in compliance with section 123 of the Act. No dividend has been declared or paid during the year by subsidiaries incorporated in India.

vi. Based on our examination which included compliance test and test checks and those performed by the respective auditors of the subsidiaries which are incorporated in India whose financial statements have been audited under the Act, the Company and its subsidiaries have used the accounting software for maintaining 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 24170275BKGFEW1359

Bhavnagar
May 20, 2024

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of Carysil Limited ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgement, 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 and the audit evidence obtained by the other auditors of subsidiaries which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company and its subsidiaries incorporated in India.

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 -

PARK & COMPANY Chartered Accountants

(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 and based on the consideration of the reports of the auditors referred to in Other Matters paragraph below, the Parent Company and its subsidiaries, which are companies incorporated in India, have, 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 31st March, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries incorporated in India, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 24170275BKGFEW1359

Bhavnagar
May 20, 2024

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	23,493.65	20,973.03
Right of use assets	3	1,626.05	1,320.30
Capital work in progress	2	1,046.27	1,369.70
Intangible assets	4	3,891.37	177.41
Goodwill on consolidation		11,353.03	10,338.30
Financial assets			
Investments		-	-
Loans	5	38.44	31.88
Other financial assets	6	231.88	163.41
Other non-current assets	7	1,356.15	1,556.87
		43,036.83	35,930.90
Current Assets			
Inventories	8	17,318.20	13,057.08
Financial assets			
Investments		-	-
Trade receivables	9	13,779.49	10,305.42
Cash and cash equivalents	10	874.54	409.26
Other bank balances	11	376.79	815.14
Loans	5	39.24	31.59
Other financial assets	6	816.97	1,038.49
Current tax assets	12	5,144.32	4,888.67
Other current assets	7	3,081.00	4,754.69
		41,430.55	35,300.34
Total Assets		84,467.38	71,231.24
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	536.32	535.44
Other equity	14	34,862.90	29,802.64
Non controlling interests		412.30	365.39
		35,811.52	30,703.47
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	11,466.09	7,830.43
Lease liabilities		960.13	1,051.65
Other financial liabilities	16	-	-
Provisions	17	151.35	88.98
Deferred tax liabilities (net)	18	594.76	521.45
Other non-current liabilities	19	-	-
		13,172.33	9,492.51
Current liabilities			
Financial Liabilities			
Borrowings	15	18,355.35	14,255.43
Lease liabilities		441.73	364.33
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		909.75	780.39
Total outstanding dues of creditors other than Micro and Small Enterprises		7,770.47	7,062.65
Other financial liabilities	16	566.00	404.78
Other current liabilities	19	1,413.64	2,700.85
Provisions	17	178.04	97.62
Current tax liabilities	12	5,848.55	5,369.21
		35,483.53	31,035.26
Total Liabilities		84,467.38	71,231.24

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:[illegible]

PRABHAKAR DALAL
Director
DIN:[illegible]

ANAND SHARMA
Executive Director & Group CFO
DIN:[illegible]

REENA SHAH
Company Secretary
PAN: BQRPS8698N

Bhavnagar
May 20, 2024

Mumbai
May 20, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

(Indian ₹ in lacs)

Particulars	Note No.	2023-2024	2022-2023
REVENUE:			
Revenue from operations (net)	21	68,375.78	59,388.85
Other income	22	534.47	159.01
Total Income		68,910.25	59,547.86
EXPENSES:			
Cost of materials consumed	23	27,273.22	23,050.14
Purchases of stock-in-trade		7,045.22	6,182.70
Changes in inventories	24	(2,831.76)	1,015.55
Employee benefits expenses	25	6,025.91	4,485.99
Finance costs	26	2,085.21	1,452.45
Depreciation and amortisation expenses	27	3,244.87	2,635.64
Other expenses	28	17,989.70	13,915.71
Total Expenses		60,832.37	52,738.18
Profit before exceptional items and tax		8,077.88	6,809.68
Exceptional items		-	-
Profit before tax		8,077.88	6,809.68
Tax expenses			
Current tax	12	2,122.39	1,546.69
Earlier years' tax		37.13	(80.62)
Deferred tax		82.06	60.56
Profit for the year		5,836.30	5,283.05
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(34.26)	(5.47)
b. Tax impacts on above		8.76	1.38
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		(238.64)	(145.80)
Other comprehensive income for the year		(264.14)	(149.89)
Total Comprehensive Income for the year		5,572.16	5,133.16
Profit for the year attributable to:			
Owners of the Parent		5,788.84	5,241.88
Non-controlling interests		47.46	41.17
		5,836.30	5,283.05
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		(263.59)	(149.85)
Non-controlling interests		(0.55)	(0.04)
		(264.14)	(149.89)
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		5,525.25	5,092.03
Non-controlling interests		46.91	41.13
		5,572.16	5,133.16
Basic earning per share	29	21.59	19.59
Diluted earning per share	29	21.55	19.52
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

PRABHAKAR DALAL
Director
DIN:00544948

ANAND SHARMA
Executive Director & Group CFO
DIN:00255426

REENA SHAH
Company Secretary
PAN: BQBPS9698N

Bhavnagar
May 20, 2024

Mumbai
May 20, 2024

CARYSIL LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

A. SHARE CAPITAL

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
At the beginning of the year	535.44	533.90
Changes in equity share capital during the year	0.88	1.54
At the end of the year	536.32	535.44

B. OTHER EQUITY

(Indian ₹ in lacs)

Particulars	General reserve	Retained earnings	Capital reserve	Security premium	Share based payment reserve	Other Comprehensive Income: Foreign currency transalation reserve	Other Comprehensive Income: Net gain/(loss) on fair value of defined benefit plan	Other Equity Attributable to owners of Parent	Non-controlling interest
As at 1st April, 2022	5,699.60	14,704.32	25.20	4,054.05	369.82	6.95	(24.38)	24,835.56	324.26
Profit for the year	-	5,241.88	-	-	-	-	-	5,241.88	41.17
Addition during the year	31.52	-	-	276.12	-	-	-	307.64	-
Share based payment expenses (net)	-	-	-	-	(111.33)	-	-	(111.33)	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(145.80)	(4.05)	(149.85)	(0.04)
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-	-	-
Final dividend , declared and paid during the year	-	(321.26)	-	-	-	-	-	(321.26)	-
As at 31st March, 2023	**6,731.12**	**18,624.94**	**25.20**	**4,330.17**	**258.49**	**(138.85)**	**(28.43)**	**29,802.64**	**365.39**
Profit for the year	-	5,788.84	-	-	-		-	5,788.84	47.46
Addition during the year	-	-	-	158.47	-	-	-	158.47	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(238.64)	(24.95)	(263.59)	(0.55)
Transfer from retained earnings to general reserve	1,200.00	(1,200.00)	-	-	-	-	-	-	-
Share based payment expenses (net)					(87.14)			(87.14)	
Final dividend , declared and paid during the year	-	(536.32)					-	(536.32)	-
As at 31st March, 2024	**7,931.12**	**22,677.46**	**25.20**	**4,488.64**	**171.35**	**(377.49)**	**(53.38)**	**34,862.90**	**412.30**

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 20, 2024

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

PRABHAKAR DALAL
Director
DIN:[illegible]

ANAND SHARMA
Executive Director & Group
DIN:00255426

REENA [illegible]
Company Secretary
PAN: [illegible]

Mumbai
May 20, 2024

CARYSIL LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2024

(Indian ₹ in lacs)

	Particulars	2023-2024		2022-2023	
A	CASH FLOW FROM OPERATING ACTIVITIES :				
	Net profit for the year		5,836.30		5,283.05
	Adjustments for -				
	Depreciation and amortization	3,244.87		2,635.64	
	Income tax expenses	2,241.57		1,526.63	
	Loss / (profit) on sale of property, plant & equipment	(15.26)		(8.86)	
	Employee stock options	45.81		150.38	
	Impairment loss recognised on trade receivables and others	508.69		237.48	
	Exchange rate adjustments (net)	(238.64)		(145.80)	
	Interest income	(44.43)		(71.79)	
	Finance cost	2,085.21		1,452.45	
	Operating profit before working capital changes	7,827.82		5,776.13	
	Adjustments for -				
	Trade and other receivables	(3,405.55)		(495.27)	
	Other current and non-current assets	1,874.41		(1,355.20)	
	Inventories	(4,261.12)		(2,634.30)	
	Provisions	108.53		(57.34)	
	Other current and non-current liabilities	(1,287.21)		2,011.49	
	Trade and other payables	1,026.34		(36.94)	
	Cash generated from operations	(5,944.60)		(2,567.56)	
	Income tax paid	(1,935.82)	(52.60)	(1,375.44)	1,833.13
	NET CASH FROM OPERATING ACTIVITIES		5,783.71		7,116.18
B	CASH FLOW FROM INVESTING ACTIVITIES :				
	Purchase of property, plant & equipment	(9,312.35)		(5,787.85)	
	Purchase of investments	(1,014.73)		(7,946.53)	
	Sale of property, plant & equipment	124.90		16.14	
	Interest received	44.43		71.79	
	NET CASH USED IN INVESTING ACTIVITIES		(10,157.75)		(13,646.45)
C	CASH FLOW FROM FINANCING ACTIVITIES :				
	Proceeds from borrowings	7,735.58		8,360.10	
	Proceeds from issue of share capital	26.39		46.24	
	Payment of lease liabilities	(273.17)		(242.33)	
	Dividend paid to owner of the Company	(549.52)		(313.85)	
	Interest paid	(2,099.95)		(1,438.28)	
	NET CASH USED IN FINANCING ACTIVITIES		4,839.33		6,411.88
	Net Increase in Cash and Cash Equivalents		465.29		(118.39)
	Cash and cash equivalents as at beginning of the year		409.26		527.65
	Cash and cash equivalents as at end of the year		874.54		409.26

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 20, 2024

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:[illegible]

PRABHAKAR DALAL
Director
DIN:[illegible]

ANAND SHARMA
Executive Director & Group CFO
DIN:00255426

REENA SHAH
Company Secretary

Mumbai
May 20, 2024

COMPANY INFORMATION

Carysil Limited ("the Parent Company") is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India vide CIN: L26914MH1987PLC042283. The registered office of the Company is located at A 702, Kanakia Wall Street, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31st March, 2024.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements ('the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors of the Company on 20th May, 2024.

1 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

1.2 Basis for consolidation:

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary companies used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements present the consolidated accounts of the Company along with its following subsidiaries:

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Sr No.	Entity	Proportion of Ownership Interest as at 31st March 2024
1	Carysil Steel Limited	84.99%
2	Carysil GmbH - Germany	100.00%
3	Carysil Products Limited – United Kingdom	100.00%
4	Carysil UK Limited – United Kingdom	100.00%
5	Carysil Online Limited	100.00%
6	Sternhagen Bath Private Limited	84.90%
7	Carysil Ceramitech Limited	100.00%
8	Carysil Ankastre Sistemleri Ticaret Limited – Turkey (w.e.f. 6th November, 2023)	100.00%
9	Carysil Surfaces Limited- United Kingdom	100.00%
10	Carysil FZ LLC- UAE	100.00%
11	Carysil Brassware Limited – United Kingdom (w.e.f. 3rd April, 2023)	70.00%
12	United Granite LLC – United States of America (w.e.f. 20th October, 2023)	100.00%
13	Acrysil USA Inc – United States of America	100.00%

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

a) A subsidiary is an entity over which the Parent Company has control. The Parent Company controls an entity when the Parent Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company.

b) The Parent Company combines the financial statements of the parent and its subsidiary companies on a line-by-line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Parent Company.

c) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Parent Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

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1.3 Material accounting policies:

a. System of accounting

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Group.

c. Property, plant and equipment, Capital work in progress and Intangible Assets

(i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e 1st April, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

(iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.

(iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

(v) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule

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II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

(vi) Intangible assets mainly represent goodwill, design and property rights and implementation cost for software and other application software of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure. Intangible assets are amortized over a useful period of life of the respective assets.

(vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

(viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

(ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

d. Goodwill on Consolidation

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any.

e. Investments and financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

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Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

f. Inventories

(i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.

(ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.

(iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

Cash and equivalents:
Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

Other bank balances:
Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

h. Trade receivables

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

i. Financial liabilities

(i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

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(iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

k. Revenue recognition

(i) Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

(ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

(iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.

(iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.

(v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

l. Foreign currency transactions

(i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the Parent Company's functional and presentation currency.

(ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.

(iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

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m. Employee benefit expenses

(i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Group has no further obligations beyond the monthly contributions.

(ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

(iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

(iv) Employee Share based Payments: The Parent Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognized as expense on a straight-line basis over the vesting period, based on the Holding Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Holding Company revises its estimate of number of equity shares expected to vest.

Fair value of the ESOP granted to the employees of subsidiaries are considered as capital contribution by the Holding company on a straight-line basis over the vesting period which, will be adjusted by any recharge in the subsequent years by the subsidiaries.

n. Leases

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

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o. Impairment of non-financial assets

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

p. Taxation

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the tax laws of the respective countries. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

q. Provisions and contingent liabilities

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

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r. Earnings Per Share

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Group. The activities of the Group primarily fall under a single segment of "manufacturing and trading of kitchen sinks, bath products and other appliances" in accordance with the Ind AS 108 "Operating Segments".

t. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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Note 2

Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Mould and Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at 1st April, 2022	3,283.06	4,955.54	7,664.12	8,059.20	677.43	1,092.78	622.75	**26,354.88**
Additions	796.54	1,497.42	2,089.11	1,070.43	81.97	696.47	239.66	**6,471.60**
Disposals	-	-	-	(133.26)	-	-	(51.95)	**(185.21)**
Exchange rate on consolidation	-	-	13.83	-	16.66	1.94	0.82	**33.25**
As at 31st March, 2023	**4,079.60**	**6,452.96**	**9,767.06**	**8,996.37**	**776.06**	**1,791.19**	**811.28**	**32,674.52**
Additions	940.49	1,100.10	1,503.57	368.95	123.66	230.82	207.03	4,474.62
Acquisition of subsidiaries during the year	-	-	1,229.35	-	-	111.70	272.19	1,613.24
Disposals /Transfer	-	(52.49)	(68.82)	-	-	-	(111.59)	(232.90)
Exchange rate on consolidation	-	-	14.56	-	0.49	(0.60)	(22.99)	(8.54)
As at 31st March, 2024	5,020.09	7,500.57	12,445.72	9,365.32	900.21	2,133.11	1,155.92	38,520.94
Accumulated depreciation								
As on 1st April, 2022	-	682.07	2,551.67	4,550.24	548.85	725.31	463.13	**9,521.27**
Depreciation charged	-	167.26	968.33	715.35	114.61	233.75	131.23	**2,330.53**
Disposals	-	-	-	(126.59)	-	-	(51.34)	**(177.93)**
Exchange Rate on Consolidation	-	-	10.05	-	8.68	8.68	0.21	**27.62**
As at 31st March, 2023	-	**849.33**	**3,530.05**	**5,139.00**	**672.14**	**967.74**	**543.23**	**11,701.49**
Depreciation charged	-	212.87	1,144.41	785.37	117.21	257.58	160.33	2,677.77
Acquisition of subsidiaries during the year	-	-	572.01	-	0.31	74.66	99.47	746.44
Disposals	-	(1.87)	(9.80)	-	-	-	(111.59)	(123.26)
Exchange Rate on Consolidation	-	-	13.21	-	1.79	4.43	5.42	24.85
As at 31st March, 2024	-	1,060.33	5,249.88	5,924.37	791.44	1,304.41	696.85	15,027.29
Net carrying value								
As at 31st March, 2023	**4,079.60**	**5,603.63**	**6,237.01**	**3,857.37**	**103.92**	**823.45**	**268.05**	20,973.03
As at 31st March, 2024	5,020.09	6,440.24	7,195.83	3,440.95	108.77	828.70	459.07	23,493.65

Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31st March, 2024					
Projects in progress	899.36	146.91			1,046.27
	899.36	146.91	-	-	1,046.27
31st March, 2023					
Projects in progress	1,369.70	-	-	-	1,369.70
	1,369.70	-	-	-	1,369.70

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

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Note 3

Right of use assets

(Indian ₹ in lacs)

Particulars	Building	Total
Gross carrying value		
As at 31st March, 2022	1,416.77	1,416.77
Additions	648.40	648.40
Disposals	(336.29)	(336.29)
As at 31st March, 2023	1,728.88	1,728.88
Additions	259.05	259.05
Acquisition of subsidiaries during the year	488.93	488.93
Disposals	-	-
As at 31st March, 2024	2,476.86	1,987.93
Accumalated depreciation		
As at 31st March, 2022	190.23	190.23
Depreciation charged	287.09	287.09
Disposals	(68.74)	(68.74)
As at 31st March, 2023	408.58	408.58
Depreciation charged	320.48	320.48
Acquisition of subsidiaries during the year	121.26	121.26
Exchange Rate on Consolidation	0.49	0.49
Disposals	-	-
As at 31st March, 2024	850.81	729.06
Net carrying value		
As at 31st March, 2023	1,320.30	1,320.30
As at 31st March, 2024	1,626.05	1,626.05

Leases - Company as a lessee

(a) Set out below, are the amounts recognized in profit and loss:

(Indian ₹ in lacs)

Particulars	March 31, 2024	March 31, 2023
Amortisation expense of right-of-use assets	320.48	287.09
Interest expense on lease liabilities	95.70	95.47
Lease expense- Short term and lease of low value assets	368.88	260.23
	785.06	642.79

(b) Lease liabilities included in the financial statements:

(Indian ₹ in lacs)

Particulars	March 31, 2024	March 31, 2023
Current	441.73	364.33
Non-current	960.13	1,051.65
Total lease liabilities	1,401.86	1,415.98

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Note 4

Intangible assets

(Indian ₹ in lacs)

Particulars	Design & Property Rights	Goodwill	Computer Software	Total
Gross carrying value (at deemed cost)				
As at 1st April, 2022	165.09	-	147.43	312.52
Additions	-	-	15.47	15.47
As at 31st March, 2023	165.09	-	162.90	327.99
Additions	-	-	228.75	228.75
Acquisition of subsidiaries during the year	-	4,258.25	-	4,258.25
Disposals	-	-	-	0.00
As at 31st March, 2024	165.09	4,258.25	391.65	4,814.99
Accumalated depreciation				
As on 1st April, 2022	70.90	-	61.66	132.56
Amortization	16.51	-	1.51	18.02
As at 31st March, 2023	87.41	-	63.17	150.58
Amortization	16.51	140.51	89.60	246.62
Acquisition of subsidiaries during the year	-	521.70	-	521.70
Exchange Rate on Consolidation	-	4.72	-	4.72
As at 31st March, 2024	103.92	666.93	152.77	923.62
Net carrying value				
As at 31st March, 2023	77.68	-	99.73	177.41
As at 31st March, 2024	61.17	3,591.32	238.88	3,891.37

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Note 5
Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Unsecured, considered good				
Employee loans	38.44	31.88	39.24	31.59
Other loans	-	-	-	-
Total loans	38.44	**31.88**	39.24	**31.59**

Note 6
Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Security deposits	231.88	163.41	-	-
Claims receivables	-	-	719.68	1,003.15
Forward contract premium receivables	-	-	84.92	-
Interest receivables	-	-	12.37	35.34
Total other financial assets	**231.88**	**163.41**	**816.97**	**1,038.49**

Note 7
Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Trade advances to suppliers	-	-	592.12	689.32
Less: Provision for doubtful advances	-	-	-	-
			592.12	689.32
Capital advances	1,356.15	1,556.87	-	-
Advances to staff	-	-	12.15	11.74
Prepaid expenses	-	-	684.34	374.75
Input credit receivables	-	-	1,651.21	1,763.38
Other advances	-	-	141.18	1,915.50
Total other assets	**1,356.15**	**1,556.87**	**3,081.00**	**4,754.69**
includes:				
- To entities in which some of the directors are interested	-	-	-	2.35

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Note 8

Inventories

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Stores & spares	114.53	107.21
Stock-in-trade	4,664.42	3,000.92
Raw materials	5,661.18	4,489.57
Finished goods	4,523.32	3,331.87
Semi finished goods	352.54	375.73
Bought out items	1,492.06	1,425.88
Packing materials	510.15	325.90
Total inventories	**17,318.20**	**13,057.08**

Note 9

Trade Receivables

(Unsecured, considered good unless otherwise stated)

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Unsecured, considered good	13,769.92	10,293.55
Unsecured, significant increase in credit risk	19.15	23.73
Unsecured, considered doubtful	39.35	184.57
Less: Loss allowance for doubtful debts	(48.93)	(196.43)
Total trade receivables	**13,779.49**	**10,305.42**

PARK & COMPANY Chartered Accountants

9.1 Trade receivables ageing schedule:

(Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
			6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2024							
Undisputed, considered good	8,276.48	5,271.69	111.95	75.55	-	-	13,735.67
Undisputed having significant increase in credit risk	-	-	-	-	19.07	-	19.07
Undisputed trade receivables- credit impaired	-	-	-	-	-	31.09	31.09
Disputed, considered good	-	-	2.20	32.05	-	-	34.25
Disputed having significant increase in credit risk	-	-	-	-	0.08	-	0.08
Disputed trade receivables- credit impaired	-	-	-	-	-	8.26	8.26
	8,276.48	5,271.69	114.15	107.60	19.15	39.35	13,828.42
			Less: Allowance for credit losses				(48.93)
			Total trade receivables				13,779.49
31st March, 2023							
Undisputed, considered good	5,037.41	5,117.02	62.26	56.01	-	-	10,272.70
Undisputed having significant increase in credit risk	-	-	-	-	15.13	-	15.13
Undisputed trade receivables- credit impaired	-	-	-	-	-	93.21	93.21
Disputed, considered good	-	-	20.33	0.52	-	-	20.85
Disputed having significant increase in credit risk	-	-	-	-	8.60	-	8.60
Disputed trade receivables- credit impaired	-	-	-	-	0	91.36	91.36
	5,037.41	5,117.02	82.59	56.53	23.73	184.57	10,501.85
			Less: Allowance for credit losses				(196.43)
			Total trade receivables				10,305.42

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Note 10

Cash and cash equivalents

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Balances with banks	871.20	384.20
Short term deposits*	-	20.33
Cash on hand	3.34	4.73
Total cash and cash equivalents	**874.54**	**409.26**

* under lien with banks against various credit facilities of ₹ 17.27 lacs in the previous year

Note 11

Other bank balances

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Dividend accounts	46.62	61.38
Other term deposits*	330.17	753.76
Total other bank balances	**376.79**	**815.14**

* includes ₹ 38.09 lacs (₹ 149.41 lacs) under lien with banks against various credit facilities

There is no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2024.

Note 12

Income tax assets (net)

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Current income tax liabilities	5,848.55	5,369.21
Income tax assets	5,144.32	4,888.67
Net Balance	704.23	480.54
The gross movement in the current tax (asset) / liabilities		
Net current income tax liabilities at the beginning	480.54	389.91
Income tax paid (net of refunds)	(1,935.82)	(1,375.44)
Income tax expense	2,159.51	1,466.07
Net current income tax asset at the end	704.23	480.54

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Note 13

Equity share capital

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	**800.00**
Issued, Subsribed and Paid up		
2,68,15,930 (2,67,71,941) equity shares of ₹ 2 each	536.32	535.44
Total equity share capital	536.32	**535.44**

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year : (Indian ₹ in lacs)

Particulars	As on 31st March, 2024		As on 31st March, 2023	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	2,67,71,941	535.44	2,66,94,880	533.90
Issue of equity shares during the year	43,989	0.88	77,061	1.54
Balance at end of the year	2,68,15,930	536.32	2,67,71,941	535.44

c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.20	86,33,480	32.25	(0.05)
Acrycol Minerals Limited	13,81,760	5.15	13,81,760	5.16	(0.01)
Shetal C Parekh	5,50,000	2.05	5,50,000	2.05	(0.00)
Jatin R Parekh	11,54,010	4.30	11,54,010	4.31	(0.01)
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.25	86,33,480	32.34	(0.09)
Acrycol Minerals Limited	13,81,760	5.16	13,81,760	5.18	(0.01)
Pushpa R Parekh	-	-	7,34,760	2.75	(2.75)
Shetal C Parekh	5,50,000	2.05	5,50,000	2.06	(0.01)
Jatin R Parekh	11,54,010	4.31	4,19,250	1.57	2.74
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2024		As at 31st March 2023	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	86,33,480	32.20	86,33,480	32.25
Abakkus Emerging Opportunities Fund - 1	15,44,474	5.76	16,20,492	6.05
Acrycol Minerals Limited	13,81,760	5.15	13,81,760	5.16

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e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

Note 14

Other equity

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
Capital reserve	25.20	25.20
General Reserve		
Balance at the beginning of the year	6,731.12	5,699.60
Employee stock option forfeited during the year	-	31.52
Transferred from retained earnings	1,200.00	1,000.00
Balance at the end of the year	7,931.12	6,731.12
Securities Premium Account		
Balance at the beginning of the year	4,330.17	4,054.05
Addition during the year	158.47	276.12
	4,488.64	4,330.17
Retained earnings		
Balance at the beginning of the year	18,624.94	14,704.32
Profit for the year	5,788.84	5,241.88
Appropriations		
Transfer to general reserve	(1,200.00)	(1,000.00)
Dividend	(536.32)	(321.26)
Balance at the end of the year	22,677.46	18,624.94
Share based payment reserve		
Balance at the beginning of the year	258.49	369.82
Share based payment expenses (net)	(87.14)	(111.33)
	171.35	258.49
Other components of equity:		
Remeasurement of defined benefit plans (net of tax)	(53.38)	(28.43)
Foreign currency translation reserve	(377.49)	(138.85)
	(430.87)	(167.28)
Total other equity	34,862.90	29,802.64

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve puruant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Share based payment reserve - This represents the fair value of the stock options granted by the Parent Company under the Employees Stock Option Plan 2021 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumalated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognized.

Foreign currency translation reserve: Exchange difference on translation of long term monetary asset is accumulated in separate reserve within equity.

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Note 15

Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Secured				
Term loans from banks	11,466.09	7,830.43	-	-
Working capital finance from banks	-	-	14,255.62	11,505.09
Current maturities of long-term debt	-	-	3,849.22	2,750.34
	11,466.09	7,830.43	18,104.84	14,255.43
Unsecured	-	-	-	-
Term loans from related parties	-	-	250.51	-
	-	-	250.51	-
Total borrowings	**11,466.09**	**7,830.43**	**18,355.35**	**14,255.43**

Note 16

Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Interest accrued and due	-	-	13.24	27.98
Payable towards services received			480.46	269.88
Unclaimed dividend	-	-	48.18	61.38
Forward contract premium payable	-	-	-	22.53
Deposits from distributors and others	-	-	24.12	23.01
Total other financial liabilities	-	-	**566.00**	**404.78**

Note 17

Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Provision for leave encashment	129.33	82.47	21.33	17.01
Provision for bonus	-	-	133.44	80.37
Provision for gratuity	22.02	6.51	23.27	0.24
Total provisions	**151.35**	**88.98**	**178.04**	**97.62**

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Note 18

Deferred tax liabilities

(Indian ₹ in lacs)

Particulars	31st March 2024	31st March 2023
On account of timing differences in		
Depreciation on property, plant & equipment	759.74	741.84
Provision for doubtful debts	(5.58)	(42.01)
Difference of right-of use assets and lease liabilities	(34.86)	(24.08)
Provision of expenses allowed for tax purpose on payment basis (net)	(124.54)	(154.30)
	594.76	521.45

Note 19

Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Advances from customers	-	-	220.94	136.86
Statutory liabilities	-	-	990.64	864.40
Other liabilities	-	-	202.06	1,699.59
Total other liabilities	-	-	1,413.64	2,700.85

Note 20

Trade payables

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2024	31st March 2023
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	909.75	780.39
Total outstanding dues of creditors other than Micro and Small Enterprises	7,770.47	7,062.65
Total trade payables	8,680.22	7,843.04

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20.1 Trade payables ageing schedule:

(Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2024						
Outstanding dues to MSME	901.21	8.54	-	-	-	909.75
Others	4,097.05	3,416.37	232.37	4.70	19.98	7,770.47
Total....	4,998.26	3,424.91	232.37	4.70	19.98	8,680.22
31st March, 2023						
Outstanding dues to MSME	777.88	0.67	1.84	-	-	780.39
Others	2,812.77	4,142.27	27.83	11.46	68.32	7,062.65
Total....	**3,590.65**	**4,142.94**	**29.67**	**11.46**	**68.32**	**7,843.04**

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Note 21

Revenue from operations

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Sale of Products		
Export sales	54,228.84	46,104.94
Domestic sales	13,675.25	12,657.15
	67,904.09	58,762.09
Other Operating Revenue		
Export incentives & credits	107.34	120.11
Other operational income	364.35	506.65
Total revenue from operations	68,375.78	59,388.85

Note 22

Other income

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Interest income		
Banks	35.23	18.79
Others	9.20	53.00
Gain on foreign currency fluctuation	438.62	-
Gain on disposal of property, plant & equipment (net)	15.26	8.86
Miscellaneous income	36.16	78.36
Total other income	534.47	159.01

Note 23

Cost of materials consumed

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Raw materials consumed		
Opening stock *	6,069.07	3,560.88
Add: Purchases	20,892.03	19,603.65
	26,961.10	23,164.53
Less: Closing stock	(5,661.18)	(4,489.57)
	21,299.92	18,674.96
Packing material consumed		
Opening stock	325.90	278.58
Add: Purchases	3,253.34	2,733.18
	3,579.24	3,011.76
Less: Closing stock	(510.15)	(325.90)
	3,069.09	2,685.86
Bought out items	2,904.21	1,689.32
Total cost of material consumed	27,273.22	23,050.14

* includes acquisition of stock on new subsidiaries

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Note 24

Changes in inventories

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Closing Stock		
Finished goods	4,523.32	3,331.87
Stock-in-trade	4,664.42	3,000.92
Semi finished goods	352.54	375.73
	9,540.28	6,708.52
Opening Stock		
Finished goods	3,331.87	2,916.17
Stock-in-trade	3,000.92	3,115.36
Semi finished goods	375.73	1,692.54
	6,708.52	7,724.07
Changes in inventories	**(2,831.76)**	**1,015.55**

Note 25

Employee benefit expenses

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Salaries, wages, bonus and allowances	4,440.40	3,037.06
Directors' remuneration	1,007.07	832.17
Employee stock option expenses	45.81	150.38
Contribution to provident fund and other welfare funds	265.27	216.09
Staff welfare expenses	267.36	250.29
Total employee benefit expenses	**6,025.91**	**4,485.99**

Note 26

Finance costs

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Interest		
Banks	1,790.07	1,251.87
Income tax	13.41	1.03
Others	232.95	132.60
	2,036.43	1,385.50
Other borrowing cost	48.78	66.95
Total finance costs	**2,085.21**	**1,452.45**

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Note 27

Depreciation and amortisation expenses

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Tangible assets	2,677.77	2,330.53
Right of use assets	320.48	287.09
Intangible assets	246.62	18.02
Total depreciation and amortisation	3,244.87	2,635.64

Note 28

Other expenses

(Indian ₹ in lacs)

Particulars	2023-2024	2022-2023
Manufacturing Expenses		
Power & fuel	1,249.15	1,155.68
Machinery repairs and maintenance	256.81	126.18
Stores and spares	918.89	883.59
Other expenses	4,616.75	3,260.97
	7,041.60	5,426.42
Selling and Distribution Expenses		
Sales commission	683.02	172.99
Advertisement and business promotion	2,032.80	1,272.86
Export frieght and insurance	1,907.79	2,534.83
Other selling expenses	1,327.92	961.58
	5,951.53	4,942.26
Administrative and Other Expenses		
Rent	529.27	260.23
Rates & taxes	4.31	7.35
Travelling expenses	936.73	690.41
Postage and telephone expenses	81.64	57.46
Insurance premiums	288.24	174.44
Software maintance expenses	98.67	-
Printing & stationery expenses	260.78	150.15
Building and other repairs	348.76	250.70
Bank discount, commission and other charges	207.41	212.07
Loss on foreign currency fluctuation	-	241.39
Legal and professional fees	907.38	684.78
Payment to auditors	204.04	157.77
Directors sitting fees	30.30	21.25
Corporate social responsibility expenses	110.36	71.69
Donations	8.76	17.91
Bad debts, provision for doubtful advances and other writen-offs	508.69	237.48
General expenses	471.23	311.95
	4,996.57	3,547.03
Total other expenses	17,989.70	13,915.71

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1. Amount required to be spent u/s 135(5) of the Companies Act 2013	92.77	71.69
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	110.36	71.69
3. (Excess)/Shortfall at the end of the year	(17.59)	-
4. Nature of CSR activities	Education, health, wellness, animal welfare.	
5. Details of related party transactions in relation to CSR expenditure to Ashwanilla Charitable Trust	110.36	58.77

Payments to auditors

Audit fees	196.18	151.69
Tax audit fees	2.80	2.90
Other services	5.06	3.18
	204.04	157.77

Note 29

Earning per share

Particulars	2023-2024	2022-2023
Profit for the year (₹ in lacs)	5,788.84	5,241.88
Weighted average number of shares for basic earning per share (Nos)	2,68,07,275	2,67,57,373
Weighted average number of shares for diluted earning per share (Nos)	2,68,67,077	2,68,53,288
Earnings per share (Basic) ₹	21.59	19.59
Earnings per share (Diluted) ₹	21.55	19.52
Face value per share ₹	2.00	2.00

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Note 30

Fair value measurement

Financial instruments by category :

(Indian ₹ in lacs)

Particulars	31st March 2024				31st March 2023			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	13,779.49	13,779.49	-	-	10,305.42	10,305.42
Loans - non-current	-	-	38.44	38.44	-	-	31.88	31.88
Loans - current	-	-	39.24	39.24			31.59	31.59
Other financial assets - non-current	-	-	231.88	231.88	-	-	163.41	163.41
Other financial assets - current	-	-	816.97	816.97	-	-	1,038.49	1,038.49
Cash and cash equivalents	-	-	874.54	874.54	-	-	409.26	409.26
Other bank balances	-	-	376.79	376.79	-	-	815.14	815.14
Total financial assets	-	-	**16,157.35**	**16,157.35**	-	-	**12,795.19**	**12,795.19**
Financial liabilities								
Borrowings								
Long term borrowings	-	-	11,466.09	11,466.09	-	-	7,830.43	7,830.43
Short term borrowings	-	-	18,355.35	18,355.35	-	-	14,255.43	14,255.43
Lease liabilities - non-current	-	-	960.13	960.13	-	-	1,051.65	1,051.65
Lease liabilities - current	-	-	441.73	441.73	-	-	364.33	364.33
Trade payables	-	-	8,680.22	8,680.22	-	-	7,843.04	7,843.04
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	566.00	566.00	-	-	404.78	404.78
Total financial liabilities	-	-	**40,469.52**	**40,469.52**		-	**31,749.66**	**31,749.66**

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Note 31
Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit Risk

Credit risk referes to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

Customer credit risk is managed by the Group through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Export receivables are backed by forward contract. In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade recivables in accordance with the excepcted credit loss (ECL) policy of the Group.

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meed its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forcast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

(Amount in Indian ₹)

Particulars	Less than or equal to one year	more than one year	Total
As on 31st March 2024			
Financial Liabilities			
Long term borrowings	-	11,466.09	11,466.09
Short term borrowings	18,355.35	-	18,355.35
Lease liabilities	441.73	960.13	1,401.86
Trade payables	8,680.22	-	8,680.22
Other financial liabilities	566.00	-	566.00
Total financial liabilities	28,043.30	12,426.22	40,469.52

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As on 31st March 2023			
Financial Liabilities			
Long term borrowings	-	7,830.43	7,830.43
Short term borrowings	14,255.43	-	14,255.43
Lease liabilities	364.33	1,051.65	1,415.98
Trade payables	7,843.04	-	7,843.04
Other financial liabilities	404.78	-	404.78
Total financial liabilities	22,867.58	8,882.08	31,749.66

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Indian ₹ in lacs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
31-Mar-24	+100	298.21
	-100	(298.21)
31-Mar-23	+100	220.86
	-100	(220.86)

c) Exposure in foreign currency:

(Respective currencies in lacs)

The Group deals with foreign currency loan given, trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Hedged :

Category	31st March 2024	31st March 2023
Option Contract - Buy		
USD/EURO/GBP	64.50	41.06

PARK & COMPANY Chartered Accountants

Unhedged:

Currency	31st March 2024	31st March 2023
Receivables		
USD	47.12	33.83
EURO	13.83	10.88
GBP	3.80	7.98
Payables		
USD	9.37	3.47
EURO	4.10	1.59

e) Foreign currency sensitivity

The Group is mainly exposed to changes in USD, GBP and EURO. The below table demostrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the the net unhedged exposure of the Group as at reporting date. 5% reprents management's assessment of reasonably possible change in foreign exchange rate.

(Indian ₹ in lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
31-Mar-24	USD	+5%	157.36
	USD	-5%	(157.36)
31-Mar-23	USD	+5%	124.75
	USD	-5%	(124.75)
31-Mar-24	GBP	+5%	20.01
	GBP	-5%	(20.01)
31-Mar-23	GBP	+5%	40.48
	GBP	-5%	(40.48)
31-Mar-24	EURO	+5%	43.89
	EURO	-5%	(43.89)
31-Mar-23	EURO	+5%	41.49
	EURO	-5%	(41.49)

Note 32
Capital management

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(Indian ₹ in lacs)

Particulars	As at 31st March 2024	As at 31st March 2023
Total debt	29,821.44	22,085.86
Total equity	35,399.22	30,338.08
Total debt to equity ratio	0.84	0.73

PARK & COMPANY Chartered Accountants

Dividends

(Indian ₹ in lacs)

Dividends recognised in the financial statements	31st March 2024	31st March 2023
Final dividend ₹ 2.00 (1.20) per equity share	536.32	321.26

Dividends not recognised in the financial statements

Directors have recommended the payment of final dividend of ₹ 2.00 (2.00) per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	536.32	536.32

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Note 33

Contingent Liabilities

(Indian ₹ in lacs)

No.	Particulars	31st March 2024	31st March 2023
1	Other matters	45.33	-

Note 34

Employee benefits

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in confirmity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. Wherever the Group creates plan assets, it makes contributions to approved gratuity fund.

Funded Scheme - Gratuity

(Indian ₹ in lacs)

No.	Particulars	31st March 2024	31st March 2023
	Amount recognised in balance sheet		
	Present value of funded defined benefit obligation	333.56	263.13
	Fair value of plan assets	310.71	270.42
	Net unfunded obligation/(assets)	22.85	(7.29)
	Expense recognised in the statement of profit and loss		
	Current service cost	36.08	34.02
	Interest on net defined benefit asset	(0.55)	(0.53)
	Total expense charged to profit and loss Account	35.53	33.49
	Amount recorded as other comprehensive income		
	Opening amount recognised in OCI outside profit & loss account	38.56	33.36
	Remeasurements during the period due to:	-	
	Return on plan assets	(0.26)	2.72
	Actual (gain)/loss on obligation for the period	29.48	2.48
	Closing amount recognised in OCI outside profit & loss account	67.78	38.56
	Reconciliation of net liability/(asset)		
	Opening net defined benefit liability/(asset)	(7.29)	(7.27)
	Expense charged to profit and loss account	35.53	33.49
	Amount recognised outside profit and loss account	29.22	5.20
	Benefits paid	-	-
	Employer contributions	(34.61)	(38.71)
	Closing net defined benefit liability/(asset)	22.85	(7.29)
	Movement in benefit obligation		
	Opening of defined benefit obligation	263.13	228.84
	Current service cost	36.08	34.02
	Interest on defined benefit obligation	19.71	16.82
	Acturial loss/(gain) arising from change in financial assumptions	8.43	(3.20)
	Benefits directly paid by the employer	-	-
	Benefits paid	(14.84)	(19.03)
	Acturial loss/(gain) on obligation -Due to Experience	21.05	5.68
	Closing of defined benefit obligation	333.56	263.13

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Movement in plan assets

Opening fair value of plan assets	270.42	236.11
Actual return on plan assets excluding interest on plan assets	0.27	(2.72)
Interest income	20.25	17.35
Contributions by employer	34.61	38.71
Benefits paid	(14.84)	(19.03)
Closing of defined benefit obligation	**310.71**	**270.42**

Principal acturial assumptions

Discount Rate	7.49	7.49
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2024	31st March 2023
1	Discount Rate	1% Increase	(28.38)	(20.91)
		1% Decrease	33.64	24.50
2	Salary	1% Increase	30.70	22.51
		1% Decrease	(26.36)	(19.77)
3	Employee Turnover	1% Increase	(0.46)	0.18
		1% Decrease	0.36	(0.31)

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2024	31st March 2023
1	Within the next 12 months (next annual reporting period)	26.13	26.07
2	Between 2 and 5 years	94.69	70.86
3	Beyod 5 years	700.28	530.37

Unfunded Scheme - Gratuity

(Indian ₹ in lacs)

No. Particulars	31st March 2024	31st March 2023
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	22.44	14.04
Fair value of plan assets	-	-
Net unfunded obligation	**22.44**	**14.04**
Expense recognised in the statement of profit and loss		
Current service cost	2.31	1.89
Interest on net defined benefit asset	1.05	0.81
Total expense charged to profit and loss Account	**3.36**	**2.70**

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Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	(1.79)	(2.06)
Remeasurements during the period due to:		
Return on plan assets	-	-
Actual (gain)/loss on obligation for the period	(5.04)	0.27
Closing amount recognised in OCI outside profit & loss account	**(6.83)**	**(1.79)**
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	14.04	11.07
Expense charged to profit and loss account	3.36	2.70
Amount recognised outside profit and loss account	5.04	0.27
Employer contributions	-	-
Closing net defined benefit liability/(asset)	**22.44**	**14.04**
Movement in benefit obligation		
Opening of defined benefit obligation	**14.04**	11.07
Current service cost	2.31	1.89
Interest on defined benefit obligation	1.05	0.81
Acturial loss/(gain) arising from change in financial assumptions	0.74	(0.26)
Benefits paid	-	-
Acturial loss/(gain) on obligation -Due to Experience	4.30	0.53
Closing of defined benefit obligation	**22.44**	**14.04**

Principal acturial assumptions		
Discount Rate	7.21	7.33
Salary escalation rate p.a.	7.00	7.00
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2024	31st March 2023
1	Discount Rate	1% Increase	(2.48)	(1.45)
		1% Decrease	2.97	1.71
2	Salary	1% Increase	2.95	1.70
		1% Decrease	(2.51)	(1.47)
3	Employee Turnover	1% Increase	(0.09)	(0.02)
		1% Decrease	0.08	(0.03)

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2024	31st March 2023
1	Within the next 12 months (next annual reporting period)	0.42	0.30
2	Between 2 and 5 years	3.38	1.51
3	Beyod 5 years	62.67	37.78

Note 35

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-2023, to the extent the Group has received intimation from the suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	909.75	780.39
2	Interest due on above	-	4.37

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Note : The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note 36

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are gien below:

Sr No.	Particulars	Country of incorporation
	(i) Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
1	Acrycol Minerals Limited	India
2	Ashwanilla Charitable Trust	India
	(ii) Key Managerial Personnel	
3	Mr. Chirag A Parekh	
4	Dr. Sonal V Ambani	
5	Mr. Jagdish R Naik (upto 31st March, 2023)	
6	Mr. Ajit R Sanghavi (upto 31st March, 2023)	
7	Mr. Pradeep H Gohil (upto 31st March, 2023)	
8	Mr Rustam Mulla	
9	Mr. Anand H Sharma	
10	Mr. Pradyumna R Vyas (w.e.f. 11th August, 2023)	
11	Ms. Katja Larsen (w.e.f. 20th March, 2024)	
12	Mr. Prabhakar R Dalal (w.e.f. 20th March, 2024)	
13	Ms. Shetal Parekh	
14	Mr. Marcus J Smyth	
15	Mr. Julian Annison	
16	Mr. Stuart Greenwood	
17	Ms. Reena Shah	
18	Ms. Payal Agrawal (upto 13th October, 2023)	
19	Ms. Vrushali Darji (w.e.f. 12th December, 2023)	
	(iii) Relatives of Key Managerial Personnel	
20	Ms. Rhea Chirag Parekh	

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(Indian ₹ in lacs)

Nature of transaction	Relationship	Year ended 31st March 2024	Year ended 31st March 2023
1. Purchase of materials			
Acrycol Minerals Limited	Associate	2,079.58	1,515.84
2. Corporate social responsibility/Donations			
Ashwanilla Charitable Trust	Associate	111.36	58.77
Outstanding balances:			
1. Other current assets			
Ashwanilla Charitable Trust	Associate	-	2.35
2. Trade Payables			
Acrycol Minerals Limited	Associates	36.80	260.98
Ashwanilla Charitable Trust	Associates	1.70	-
Total...		**36.80**	**260.98**
Key management personnel and relatives			
1. Remuneration *			
Mr. Chirag Parekh	Chairman & Managing Director	608.75	480.40
Mr. Marcus J Smyth	Director	191.29	194.79
Mr. Julian Annison	Director	152.10	179.55
Mr. Stuart Greenwood	Director	41.34	-
Mr. Anand Sharma	Exceutive Director & Group CFO	62.45	72.79
Ms. Reena Shah	Company Secretary	21.29	7.72
Ms. Payal Agrawal	Company Secretary	3.35	-
Ms. Vrushali Darji	Company Secretary	2.44	-
Ms. Rhea Chirag Parekh	Relative of KMP	12.14	4.58
Total...		**1,095.15**	**939.83**

* including contribution to PF and other funds and ESOP expenses

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4. Sitting fees			
Mr. Jagdish R Naik	Independent Director	3.85	3.20
Mr. Ajit R Sanghvi	Independent Director	4.85	4.00
Mr. Pradeep H Gohil	Independent Director	5.45	5.05
Dr. Sonal Ambani	Independent Director	6.75	5.30
Mr. Rustam Mulla	Independent Director	5.25	3.70
Mr. Pradyumna Vyas	Independent Director	2.90	-
Mr. Prabhakar Dalal	Independent Director	0.50	-
Mr. Katja Larsen	Independent Director	0.50	-
Mr . Raju Mehta	Independent Director	0.25	-
Total...		**30.30**	**21.25**
Outstanding Balances:			
1. Other financial current liabilities			
Mr. Chirag Parekh	Chairman & Managing Director	125.26	81.84

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Note 37

Disclosure in terms of Schedule III of the Companies Act, 2013

(Indian ₹ in lacs)

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
1. Parent								
Carysil Limited	72.33	25,603.96	62.65	3,626.63	8.29	(21.86)	65.24	3,604.77
2. Subsidiaries								
Carysil Steel Limited	8.14	2,881.84	5.62	325.58	(1.38)	(3.64)	5.83	321.94
Carysil Online Limited	0.21	75.51	(0.35)	(20.51)	-	-	(0.37)	(20.51)
Sternhagen Bath Private Limited	(0.00)	(1.76)	(0.02)	(1.19)	-	-	(0.02)	(1.19)
Carysil UK Limited	26.99	9,552.49	41.75	2,417.01	-	-	43.74	2,417.01
Carysil Gmbh	(0.02)	(6.91)	(1.08)	(62.25)	-	-	(1.13)	(62.25)
Carysil Products Limited	11.28	3,994.74	25.06	1,450.97	-	-	26.26	1,450.97
Carysil Surfaces Limited	10.14	3,589.30	25.87	1,497.34	-	-	27.10	1,497.34
Carysil Ceramictech Limited	0.01	2.11	(0.03)	(1.61)	-	-	(0.03)	(1.61)
Carysil FZ LLC	(0.01)	(2.46)	(0.19)	(10.83)	-	-	(0.20)	(10.83)
Acrysil USA Inc	(0.18)	(65.48)	(2.55)	(147.79)	-	-	(2.67)	(147.79)
United Granite LLC*	6.42	2,274.19	(7.58)	(438.98)	-	-	(7.94)	(438.98)
Carysil Brassware Limited**	1.59	561.79	(0.07)	(4.03)	-	-	(0.07)	(4.03)
Carysil Ankastre Sistemleri Ticaret Limited - Turkey***	-	-	-	-	-	-	-	-
Add/(Less): Inter-company adjustments	(36.89)	(13,060.09)	(8.03)	(2,841.50)	90.33	(238.09)	(55.74)	(3,079.60)
Total...	100.00	35,399.22	100.00	5,788.85	100.00	(263.59)	100.00	5,525.25

*w.e.f. 20th October, 2023

** w.e.f. 3rd April, 2023

*** operation is yet to be started

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Note No. 38 Employee share based payments :

During the year ended 31st March, 2022, the Parent Company implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on 3rd May, 2021. The Plan enables grant of stock options to the eligible employees of the Parent Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in agrregate shall not be equal to to exceed 1% of the issued capital of the Parent Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Parent Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a)	**Details of stock options granted:**			
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	**Outstanding options at the beginning of the year**	-	-	-
	Option granted during the year	1,12,500	67,500	45,000
	Options exercised during the year	(77,061)	(43,989)	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	(21,939)	(15,412)	(10,274)
	Balance at the end of the year	**13,500**	**8,099**	**34,726**
	Weighted average remaining life (years)	-	1	2
b)	**Fair value of stock options granted:**			
	Fair value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:			
1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend yeild (%)	0.34	0.34	0.34
5	Market price at the time of grant of options (₹)	354.86	354.86	354.86

During the year, the Parent Company has recognized expense of ₹ 45.81 lacs (previous year: ₹ 150.38 lacs). Expenses in respect of ESOPs granted to the employees of subsidiaries ₹ 11.57 (₹ 37.62 lacs) lacs are recognized as on cash settlement basis.

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39. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given

a. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.

b. The Group do not have any Benami property, where any proceeding has been intiated or pending against the Group for holding any Benami property.

c. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

d. The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

e. The Group do not have any transactions with struck-off companies.

f. The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g. The Group have complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

h. The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

i The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. 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

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

j. The Parent Company as well as a few subsidiaries in India are operating under SAP environment which is fully integrated financial accounting and reporting system. The management of the respective companies confirm that the accounting software used by these companies for maintaining books of account has a feature of recording audit trail (edit log) facility which has been operated throughout the year for all transactions recorded in the software and the audit trail feature is not being tampered with.

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40 Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.

41 All the amounts are stated in ₹ in lacs, unless otherwise stated.

42 Previous year's figures are regrouped and rearranged, wherever necessaary.

Signatures to Notes 1 to 42

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

PRABHAKAR DALAL
Director
DIN:00534948

ANAND SHARMA
Executive Director & Group CFO
DIN:00255426

REENA SHAH
Company Secretary
PAN: BQBPS9698N

Bhavnagar
May 20, 2024

Mumbai
May 20, 2024

INDEPENDENT AUDITOR'S REPORT

To
The Members of
CARYSIL LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Carysil Limited (formerly known as "Acrysil Limited") ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, a summary of the significant accounting policies and notes to the consolidated financial statements (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023 and of the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters in respect of the Parent Company to be communicated in our report:

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Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue Recognition	
Revenue from the sale of goods ("Revenue") is recognized when the Parent Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Parent Company.	Our audit approach was a combination of test of internal controls and substantive procedures including assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof; evaluating the integrity of the general information and control environment and testing the operating effectiveness of key controls.
Carrying Value of Goodwill	
The group has recognised a goodwill on consolidation of Rs. 10,338.30 lacs in its Consolidated Financial Statements for the year ended 31st March, 2023, pursuant to a business combination in the said accounting year. The goodwill has to be tested for impairment annually, which requires significant judgment on the part of the management in identifying and valuing the relevant cash generating unit that contains goodwill.	The management has carried out exercise to determine fair valuation of the respective cash generating units. We gained an understanding of the key assumptions and judgments used to forecast the cashflows and the discount rates applied in the arriving at the fair value..

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

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the consolidated financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

PARK & COMPANY Chartered Accountants

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of eight subsidiaries, whose financial results reflects total assets of Rs. 29,235.19 lacs as at 31st March, 2023 as well as total revenues of Rs. 28,752.32 lacs, net profit after tax (including other comprehensive loss) of Rs. 2,923.54 lacs for the year ended on that date as considered in the consolidated financial results. Our report on the statement is not modified in respect of this matter with respect to our reliance on the work done and the reports of other auditors.

Two subsidiaries whose financial results reflects total assets of Rs. 448.55 lacs as on 31st March, 2023 as well as total revenues of Rs. 940.41 lacs, net loss after tax (including other comprehensive income) Rs. 130.13 lacs for the year ended on that date as considered in the consolidated financial results which have not been audited by its auditors. These unaudited financial results and other financial information have been approved and furnished to us by the management. According to the information and explanations given to us by the management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters.

PARK & COMPANY Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except following:

Sr. No.	Name/CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
1	Carysil Limited L26914MH1987PLC042283	Parent Company	(iii)(e)	Renewal of loan
2	Carysil Online Limited U52100MH2013PLC241702	Subsidiary	(iii)(e), (xvii)	Renewal of loan, cash losses
3	Carysil Ceramictech Limited U26999MH2022PLC380174	Subsidiary	(xvii)	Cash losses
4	Carysil Steel Limited U28910MH2010PLC202493	Subsidiary	(x)	Advances received
5	Sternhagen Bath Private Limited U25200MH2011PTC212405	Subsidiary	(xvii)	Cash losses

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;

   c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

PARK & COMPANY Chartered Accountants

e) On the basis of written representations received from the directors as on 31st March 2023, and taken on record by the Board of Directors of the Parent Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2023, from being appointed as a director in terms section 164(2) of the Act;

f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – A may be referred;

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and according to the reports of the auditors of the subsidiaries incorporated in India, remuneration paid by the Parent Company and its subsidiaries incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;

iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Parent company or its subsidiaries incorporated in India *except dividend of ₹6.29 lacs for 2014-15 which is yet to be transferred by the Parent Company.*

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

b. The respective managements of the Parent company and its subsidiaries, other than as disclosed in the notes to the accounts, no funds have been received by the Parent Company or subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiaries 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;

PARK & COMPANY Chartered Accountants

c. Based on such 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 (a) and (b) above, contain any material misstatement.

i) The dividend declared or paid during the year by the Parent Company is in compliance with section 123 of the Act. No dividend has been declared or paid during the year by subsidiaries incorporated in India.

j) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 23170275BGSZFW2231

Bhavnagar
May 25, 2023

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 of even date)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2023, we have audited the internal financial controls over financial reporting of Carysil Limited (formerly known as "Acrysil Limited")("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgement, 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 and the audit evidence obtained by the other auditors of subsidiaries which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company and its subsidiaries incorporated in India.

PARK & COMPANY Chartered Accountants

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 and based on the consideration of the reports of the auditors referred to in Other Matters paragraph below, the Parent Company and its subsidiaries, which are companies incorporated in India, have, 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 31st March, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries incorporated in India, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 23170275BGSZFW2231

Bhavnagar
May 25, 2023

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	20,973.03	16,833.61
Right of use assets	3	1,320.30	1,226.54
Capital work in progress	2	1,369.70	2,074.55
Intangible assets	4	177.41	179.96
Goodwill		10,338.30	2,391.77
Financial assets			
Investments		-	-
Loans	5	31.88	-
Other financial assets	6	363.41	157.54
Other non-current assets	7	564.72	1,711.35
		35,138.75	24,575.32
Current Assets			
Inventories	8	13,057.08	10,422.78
Financial assets			
Investments		-	-
Trade receivables	9	10,305.42	10,037.34
Cash and cash equivalents	10	409.26	527.65
Other bank balances	11	615.14	607.10
Loans	5	31.59	15.15
Other financial assets	6	1,038.49	1,309.79
Current tax assets	12	4,888.67	4,593.08
Other current assets	7	5,746.84	3,245.01
		36,092.49	30,757.90
Total Assets		71,231.24	55,333.22
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	535.44	533.90
Other equity	14	29,802.64	24,835.56
Non controlling interests		365.39	324.26
		30,703.47	25,693.72
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	7,830.43	3,857.80
Lease liabilities		1,051.65	981.76
Other financial liabilities	16	-	-
Provisions	17	88.98	75.51
Deferred tax liabilities (net)	18	521.45	462.27
Other non-current liabilities	19	-	-
		9,492.51	5,377.34
Current liabilities			
Financial Liabilities			
Borrowings	15	14,255.43	9,867.97
Lease liabilities		364.33	295.71
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		780.39	1,616.21
Total outstanding dues of creditors other than Micro and Small Enterprises		7,062.65	6,324.32
Other financial liabilities	16	404.78	322.64
Other current liabilities	19	2,700.85	689.36
Provisions	17	97.62	162.96
Current tax liabilities	12	5,369.21	4,982.99
		31,035.26	24,262.16
Total Liabilities		71,231.24	55,333.22

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

JACDISH NAIK
Director
DIN: 00030172

ANAND SHARMA
Chief Financial Officer
PAN: AMOPS6827M

REENA SHAH
Company Secretary
PAN: BQBPS9698N

Bhavnagar
May 25, 2023

Mumbai/Bhavnagar
May 25, 2023

CARYSIL LIMITED

(formerly known as "Acrysil Limited")

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(Indian ₹ in lacs)

Particulars	Note No.	2022-2023	2021-2022
REVENUE:			
Revenue from operations (net)	21	59,388.85	48,390.14
Other income	22	159.01	1,006.69
Total Income		59,547.86	49,396.83
EXPENSES:			
Cost of materials consumed	23	23,250.33	19,156.73
Purchases of stock-in-trade		6,182.71	5,564.27
Changes in inventories	24	809.49	(3,775.23)
Employee benefits expenses	25	4,485.99	3,358.86
Finance costs	26	1,452.45	958.64
Depreciation and amortisation expenses	27	2,635.64	1,772.32
Other expenses	28	13,921.57	13,753.19
Total Expenses		52,738.18	40,788.78
Profit before exceptional items and tax		6,809.68	8,608.05
Exceptional items		-	-
Profit before tax		6,809.68	8,608.05
Tax expenses			
Current tax	12	1,546.69	2,034.15
Earlier years' tax		(80.62)	(14.00)
Deferred tax		60.56	62.25
Profit for the year		5,283.05	6,525.65
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(5.47)	9.32
b. Tax impacts on above		1.38	(2.35)
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		(145.80)	(3.03)
Other comprehensive income for the year		(149.89)	3.94
Total Comprehensive Income for the year		5,133.16	6,529.59
Profit for the year attributable to:			
Owners of the Parent		5,241.88	6,476.18
Non-controlling interests		41.17	49.47
		5,283.05	6,525.65
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		(149.85)	3.91
Non-controlling interests		(0.04)	0.03
		(149.89)	3.94
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		5,092.03	6,480.09
Non-controlling interests		41.13	49.50
		5,133.16	6,529.59
Basic earning per share	29	19.59	24.26
Diluted earning per share	29	19.52	24.13
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

ANISH [illegible]
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN: [illegible]

JAGDISH NAIK
Director
DIN: [illegible]

ANAND SHARMA
Chief Financial Officer
PAN: AMOP[illegible]

REENA SHAH
Company Secretary
PAN: BQBP[illegible]

Bhavnagar
May 25, 2023

Mumbai/Bhavnagar
May 25, 2023

CARYSIL LIMITED

(formerly known as "Acrysil Limited")

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

A. SHARE CAPITAL

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
At the beginning of the year	533.90	533.90
Changes in equity share capital during the year	1.54	-
At the end of the year	535.44	533.90

B. OTHER EQUITY

(Indian ₹ in lacs)

Particulars	General reserve	Retained earnings	Capital reserve	Security premium	Share based payment reserve	Other Comprehensive Income: Foreign currency translation reserve	Other Comprehensive Income: Net gain/(loss) on fair value of defined benefit plan	Other Equity Attributable to owners of Parent	Non-controlling interest
As at 1st April, 2021	4,699.60	9,868.82	25.20	4,035.29	-	9.98	(31.32)	18,607.57	256.00
Profit for the year	-	6,476.18	-	-	-	-	-	6,476.18	49.47
Addition during the year		-	-	18.76	-	-	-	18.76	18.76
Share based payment expenses	-	-	-	-	369.82	-	-	369.82	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(3.03)	6.94	3.91	0.03
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-	-	-
Final dividend , declared and paid during the year	-	(640.68)	-	-	-	-	-	(640.68)	-
As at 31st March, 2022	5,699.60	14,704.32	25.20	4,054.05	369.82	6.95	(24.38)	24,835.56	324.26
Profit for the year	-	5,241.88	-	-	-		-	5,241.88	41.17
Addition during the year	31.52	-	-	276.12	-	-	-	307.64	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(145.80)	(4.05)	(149.85)	(0.04)
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-	-	-
Share based payment expenses (net)	-	-	-	-	(111.33)	-	-	(111.33)	-
Final dividend , declared and paid during the year	-	(321.26)					-	(321.26)	-
As at 31st March, 2023	6,731.12	18,624.94	25.20	4,330.17	258.49	(138.85)	(28.43)	29,802.64	365.39

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 25, 2023

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN: [illegible]

JAGDISH NAIK
Director
DIN: [illegible]

ANAND SHARMA
Chief Financial Officer
PAN: AMOPS6827M

REENA SHAH
Company Secretary
PAN: BQBPS9698N

Mumbai/Bhavnagar
May 25, 2023

CARYSIL LIMITED

(formerly known as "Acrysil Limited")

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Indian ₹ in lacs)

Particulars	2022-2023		2021-2022	
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit for the year		5,283.05		6,525.65
Adjustments for -				
Depreciation and amortization	2,635.64		1,772.32	
Income tax expenses	1,526.63		2,082.40	
Loss / (profit) on sale of property, plant & equipment	(8.86)		(54.44)	
Employee stock options	150.38		369.82	
Impairment loss recognised on trade receivables and others	237.48		44.99	
Exchange rate adjustments (net)	(145.80)		(3.03)	
Interest income	(71.79)		(62.84)	
Finance cost	1,452.45		958.64	
Operating profit before working capital changes	5,776.13		5,107.86	
Adjustments for -				
Trade and other receivables	(495.27)		(716.26)	
Other current and non-current assets	(1,355.20)		(2,616.58)	
Inventories	(2,634.30)		(4,967.68)	
Provisions	(57.34)		76.21	
Other current and non-current liabilities	2,011.49		(96.26)	
Trade and other payables	(36.94)		3,757.96	
Cash generated from operations	(2,567.56)		(4,562.62)	
Income tax paid	(1,375.44)	1,833.13	(1,906.88)	(1,361.64)
NET CASH FROM OPERATING ACTIVITIES		7,116.18		5,164.01
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of property, plant & equipment	(5,787.85)		(7,722.02)	
Purchase of investments	(7,946.53)		-	
Sale of property, plant & equipment	16.14		408.56	
Interest received	71.79		62.84	
NET CASH USED IN INVESTING ACTIVITIES		(13,646.45)		(7,250.62)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from borrowings	8,360.10		3,597.06	
Proceeds from issue of share capital	46.24		-	
Payment of lease liabilities	(242.33)		(197.95)	
Changes in non-controlling interest	-		37.52	
Dividend paid to owner of the Company	(313.85)		(641.63)	
Interest paid	(1,438.28)		(954.27)	
NET CASH USED IN FINANCING ACTIVITIES		6,411.88		1,840.73
Net Increase in Cash and Cash Equivalents		(118.39)		(245.88)
Cash and cash equivalents as at beginning of the year		527.65		773.53
Cash and cash equivalents as at end of the year		409.26		527.65

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:[illegible]

JAGDISH NAIK
Director
DIN: [illegible]

ANAND SHARMA
Chief Financial Officer
PAN: [illegible]

REENA SHAH
Company Secretary
PAN: [illegible]

Bhavnagar
May 25, 2023

Mumbai/Bhavnagar
May 25, 2023

COMPANY INFORMATION

Carysil Limited (Formerly known as "Acrysil Limited")("the Parent Company") is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India vide CIN: L26914MH1987PLC042283. The registered office of the Company is located at A 702, Kanakia Wall Street, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31st March, 2023.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements ('the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors of the Company on 25th May, 2023.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

1.2 Basis for consolidation:

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary companies used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements present the consolidated accounts of the Company along with its following subsidiaries:

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Sr No.	Entity	Proportion of Ownership Interest as at 31st March 2023
1	Carysil Steel Limited (formerly known as "Acrysil Steel Limited")	84.99%
2	Carysil GmbH, Köln - Germany (formerly known as "Acrysil GmbH")	100.00%
3	Carysil Products Limited - United Kingdom (formerly known as "Acrysil Products Limited")	100.00%
4	Carysil UK Limited - United Kingdom (formerly known as "Acrysil UK Limited")	100.00%
5	Carysil Online Limited (formerly known as "Acrysil Appliances Limited)	100.00%
6	Sternhagen Bath Private Limited	84.90%
7	Carysil Ceramitech Limited (formerly known as "Acrysil Ceramitech Limited") (w.e.f. 8th April, 2022)	100.00%
8	Tickford orange Limited– United Kingdom (w.e.f. 1st April, 2022)	100.00%
9	Carysil Surfaces Limited (formerly known as Sylmar Technologies Limited) - United Kingdom (w.e.f. 1st April, 2022)	100.00%
10	Carysil FZ LLC- UAE (w.e.f. 30th March, 2023)	100.00%

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

a) A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

b) The Company combines the financial statements of the parent and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

c) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

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1.3 Significant accounting policies:

a. System of accounting

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realized within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.

- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Group's normal operating cycle;
  - It is held primarily for the purpose of being traded;
  - It is due to be settled within 12 months after the reporting date;
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Group.

c. Property, plant and equipment

(i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e1st April, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to

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the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

(iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.

(iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

(v) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

(vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use and design and property rights of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.

(vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

(viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

(ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

d. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any.

e. Investments and financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

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On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are subsequently classified measured at -

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

f. Inventories

(i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.

(ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.

(iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

Cash and equivalents:
Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

Other bank balances:
Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

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h. Trade receivables

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

j. Financial liabilities

(i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

k. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

l. Revenue recognition

(i) Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

(ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

(iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.

(iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.

(v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

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m. Custom Duty and GST:

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

n. Foreign currency transactions

(i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.

(ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.

(iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

o. Employee benefit expenses

(i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.

(ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

(iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

(iv) Employee Share based Payments: The Parent Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognized as expense on a straight-line basis over the vesting period, based on the Holding Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Holding Company revises its estimate of number of equity shares expected to vest.

Fair value of the ESOP granted to the employees of subsidiaries are considered as capital contribution by the Holding company on a straight-line basis over the vesting period which, will be adjusted by any recharge in the subsequent years by the subsidiaries.

p. Leases

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

q. Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. Impairment of non financial assets

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

s. Taxation

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the tax laws of the respective countries. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

t. Provisions and contingent liabilities

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

u. Earnings Per Share

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

v. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Group. The activities of the Group primarily fall under a single segment of "manufacturing and trading of kitchen sinks, bath products and other appliances" in accordance with the Ind AS 108 "Operating Segments".

w. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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x. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

y. Recent pronouncements The Ministry of Corporate Affairs has vide notification dated 31st March, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April, 2023. The Rules predominantly amends Ind AS 1, Presentation of financial statements and Ind AS 12, Income taxes, whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management's assessment, these amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

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Note 2

Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Mould and Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at 1st April, 2021	3,540.94	2,943.86	4,683.44	6,821.28	539.39	1,036.82	516.81	20,082.54
Additions	87.75	2,011.68	2,980.68	1,237.92	138.04	55.96	124.84	6,636.87
Disposals	(345.63)	-	-	-	-	-	(18.90)	(364.53)
As at 31st March, 2022	3,283.06	4,955.54	7,664.12	8,059.20	677.43	1,092.78	622.75	26,354.88
Additions	796.54	1,497.42	2,089.11	1,070.43	81.97	696.47	239.66	6,471.60
Disposals	-	-	-	(133.26)	-	-	(51.95)	(185.21)
Exchange Rate on Consolidation	-	-	13.83	-	16.66	1.94	0.82	33.25
As at 31st March, 2023	4,079.60	6,452.96	9,767.06	8,996.37	776.06	1,791.19	811.28	32,674.52
Accumalated depreciation								
As on 1st April, 2021	-	558.55	1,968.39	3,946.03	467.36	604.80	419.42	7,964.55
Depreciation charged	-	123.52	583.28	604.21	81.49	120.51	54.12	1,567.13
Disposals	-	-	-	-	-	-	(10.41)	(10.41)
As at 31st March, 2022	-	682.07	2,551.67	4,550.24	548.85	725.31	463.13	9,521.27
Depreciation charged	-	167.26	968.33	715.35	114.61	233.75	131.23	2,330.53
Disposals	-	-	-	(126.59)	-	-	(51.34)	(177.93)
Exchange Rate on Consolidation	-	-	10.05	-	8.68	8.68	0.21	27.62
As at 31st March, 2023	-	849.33	3,530.05	5,139.00	672.14	967.74	543.23	11,701.49
Net carrying value								
As at 31st March, 2022	**3,283.06**	**4,273.47**	**5,112.45**	**3,508.96**	**128.58**	**367.47**	**159.62**	**16,833.61**
As at 31st March, 2023	4,079.60	5,603.63	6,237.01	3,857.37	103.92	823.45	268.05	20,973.03

Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March, 2023					
Projects in progress	1,369.70	-	-	-	1,369.70
	1,369.70	-	-	-	1,369.70
31st March, 2022					
Projects in progress	2,074.55	-	-	-	2,074.55
	2,074.55	-	-	-	2,074.55

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There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

Note 3

Right of use assets

(Indian ₹ in lacs)

Particulars	Building	Total
Gross carrying value		
As at 31st March, 2021	692.58	692.58
Additions	1,164.52	1,164.52
Disposals	(440.33)	(440.33)
As at 31st March, 2022	1,416.77	1,416.77
Additions	648.40	648.40
Disposals	(336.29)	(336.29)
As at 31st March, 2023	1,728.88	1,728.88
Accumalated depreciation		
As at 31st March, 2021	197.43	197.43
Depreciation charged	187.78	187.78
Disposals	(194.98)	(194.98)
As at 31st March, 2022	190.23	190.23
Depreciation charged	287.09	287.09
Disposals	(68.74)	(68.74)
As at 31st March, 2023	408.58	408.58
Net carrying value		
As at 31st March, 2022	1,226.54	1,226.54
As at 31st March, 2023	1,320.30	1,320.30

Leases - Company as a lessee

(a) Set out below, are the amounts recognized in profit and loss:

(Indian ₹ in lacs)

Particulars	March 31, 2023	March 31, 2022
Amortisation expense of right-of-use assets	287.09	187.78
Interest expense on lease liabilities	95.47	62.38
Lease expense- Short term and lease of low value assets	260.23	207.72
	642.79	457.88

(b) Lease liabilities included in the financial statements:

(Indian ₹ in lacs)

Particulars	March 31, 2023	March 31, 2022
Current	364.33	295.71
Non-current	1,051.65	981.76
Total lease liabilities	1,415.98	1,277.47

PARK & COMPANY Chartered Accountants

Note 4

Intangible assets

(Indian ₹ in lacs)

Particulars	Design & Property Rights	Computer Software	Total
Gross carrying value (at deemed cost)			
As at 1st April, 2021	165.09	135.51	300.60
Additions	-	11.92	11.92
As at 31st March, 2022	165.09	147.43	312.52
Additions	-	15.47	15.47
As at 31st March, 2023	165.09	162.90	327.99
Accumalated depreciation			
As on 1st April, 2021	54.39	60.76	115.15
Depreciation charged	16.51	0.90	17.41
As at 31st March, 2022	70.90	61.66	132.56
Depreciation charged	16.51	1.51	18.02
As at 31st March, 2023	87.41	63.17	150.58
Net carrying value			
As at 31st March, 2022	94.19	85.77	179.96
As at 31st March, 2023	77.68	99.73	177.41

PARK & COMPANY Chartered Accountants

Note 5

Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Unsecured, considered good				
Employee loans	31.88	-	31.59	15.15
Other loans	-	-	-	-
Total loans	31.88	-	**31.59**	**15.15**

Note 6

Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Security deposits	163.41	157.54	-	-
Term deposits	200.00	-	-	-
Claims receivables	-	-	1,003.15	1,089.54
Forward contract premium receivables	-	-	-	175.83
Interest receivables	-	-	35.34	44.42
Total other financial assets	**363.41**	**157.54**	**1,038.49**	**1,309.79**

Note 7

Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Trade advances to suppliers	-	-	689.32	293.56
Less: Provision for doubtful advances	-	-	-	(22.86)
			689.32	270.70
Capital advances	564.72	1,711.35	-	-
Advances to staff	-	-	11.74	12.28
Prepaid expenses	-	-	374.75	311.44
Input credit receivables	-	-	1,763.38	2,615.18
Other advances	-	-	2,907.65	35.41
Total other assets	**564.72**	**1,711.35**	**5,746.84**	**3,245.01**
includes:				
- To entities in which some of the directors are interested	-	-	2.35	5.47

PARK & COMPANY Chartered Accountants

Note 8

Inventories

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Stores & spares	101.35	116.63
Stock-in-trade	2,832.49	3,115.36
Raw materials	4,408.41	1,145.22
Finished goods	3,521.67	2,916.17
Semi finished goods	560.42	1,692.54
Bought out items	1,361.92	1,158.28
Packing materials	270.82	278.58
Total inventories	**13,057.08**	**10,422.78**

Note 9

Trade Receivables

(Unsecured, considered good unless otherwise stated)

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Unsecured, considered good	10,293.55	9,988.11
Unsecured, significant increase in credit risk	23.73	98.69
Unsecured, considered doubtful	184.57	102.03
Less: Loss allowance for doubtful debts	(196.43)	(151.49)
Total trade receivables	**10,305.42**	**10,037.34**

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9.1 Trade receivables ageing schedule:

(Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
			6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2023							
Undisputed, considered good	5,037.41	5,117.02	62.26	56.01	-	-	10,272.70
Undisputed having significant increase in credit risk	-	-	-	-	15.13	-	15.13
Undisputed trade receivables-credit impaired	-	-	-	-	-	93.21	93.21
Disputed, considered good	-	-	20.33	0.52	-	-	20.85
Disputed having significant increase in credit risk	-	-	-	-	8.60	-	8.60
Disputed trade receivables-credit impaired	-	-	-	-	-	91.36	91.36
	5,037.41	5,117.02	82.59	56.53	23.73	184.57	10,501.85
			Less: Allowance for credit losses				(196.43)
			Total trade receivables				10,305.42
31st March, 2022							
Undisputed, considered good	6,561.50	3,378.36	22.45	25.80	-	-	9,988.11
Undisputed having significant increase in credit risk	-	-	-	-	39.30	-	39.30
Undisputed trade receivables-credit impaired	-	-	-	-	-	61.20	61.20
Disputed having significant increase in credit risk	-	-	-	-	59.39	-	59.39
Disputed trade receivables-credit impaired	-	-	-	-	-	40.83	40.83
	6,561.50	3,378.36	22.45	25.80	98.69	102.03	10,188.83
			Less: Allowance for credit losses				(151.49)
			Total trade receivables				10,037.34

PARK & COMPANY Chartered Accountants

Note 10

Cash and cash equivalents

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Balances with banks	384.20	522.91
Short term deposits*	20.33	-
Cash on hand	4.73	4.74
Total cash and cash equivalents	**409.26**	**527.65**

* under lien with banks against various credit facilities of ₹ 17.27 lacs in the current year

Note 11

Other bank balances

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Dividend accounts	61.38	53.26
Other term deposits*	553.76	553.84
Total other bank balances	**615.14**	**607.10**

* includes ₹ 149.41 lacs (₹ 41.68 lacs) under lien with banks against various credit facilities

Amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2023 : ₹ 6.29 lacs in the books of the Parent Company .

Note 12

Income tax assets (net)

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Current income tax liabilities	5,369.21	4,982.99
Income tax assets	4,888.67	4,593.08
Net Balance	480.54	389.91
The gross movement in the current tax (asset) / liabilities		
Net current income tax liabilities at the beginning	389.91	276.64
Income tax paid (net of refunds)	(1,375.44)	(1,906.88)
Income tax expense	1,466.07	2,020.15
Net current income tax asset at the end	**480.54**	**389.91**

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Note 13

Equity share capital

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subsribed and Paid up		
2,67,71,941 (2,66,94,880) equity shares of ₹ 2 each	535.44	533.90
Total equity share capital	535.44	533.90

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year : (Indian ₹ in lacs)

Particulars	As on 31st March, 2023		As on 31st March, 2022	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	2,66,94,880	533.90	2,66,94,880	533.90
Issue of equity shares during the year	77,061	1.54	-	-
Balance at end of the year	2,67,71,941	535.44	2,66,94,880	533.90

c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.25	86,33,480	32.34	(0.09)
Acrycol Minerals Limited	13,81,760	5.16	13,81,760	5.18	(0.01)
Pushpa R Parekh	-	-	7,34,760	2.75	(2.75)
Shetal C Parekh	5,50,000	2.05	5,50,000	2.06	(0.01)
Jatin R Parekh	11,54,010	4.31	4,19,250	1.57	2.74
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.34	86,33,480	32.34	-
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18	-
Pushpa R Parekh	7,34,760	2.75	7,34,760	2.75	-
Shetal C Parekh	5,50,000	2.06	5,50,000	2.06	-
Jatin R Parekh	4,19,250	1.57	4,19,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	86,33,480	32.25	86,33,480	32.34
Abakkus Emerging Opportunities Fund - 1	16,20,492	6.05	16,43,050	6.15
Acrycol Minerals Limited	13,81,760	5.16	13,81,760	5.18

e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

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Note 14

Other equity

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Capital reserve	25.20	25.20
General Reserve		
Balance at the beginning of the year	5,699.60	4,699.60
Employee stock option forfeited during the year	31.52	-
Transferred from retained earnings	1,000.00	1,000.00
Balance at the end of the year	6,731.12	5,699.60
Securities Premium Account		
Balance at the beginning of the year	4,054.05	4,035.29
Addition during the year	276.12	18.76
	4,330.17	4,054.05
Retained earnings		
Balance at the beginning of the year	14,704.32	9,868.82
Profit for the year	5,241.88	6,476.18
Appropriations		
Transfer to general reserve	(1,000.00)	(1,000.00)
Dividend	(321.26)	(640.68)
Balance at the end of the year	18,624.94	14,704.32
Share based payment reserve		
Balance at the beginning of the year	369.82	-
Addition/(deduction) during the year	(111.33)	369.82
	258.49	369.82
Other components of equity:		
Remeasurement of defined benefit plans (net of tax)	(28.43)	(24.38)
Excahnge differences on foreign currency translation of foreign operations	(138.85)	6.95
	(167.28)	(17.43)
Total other equity	29,802.64	24,835.56

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve puruant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Share based payment reserve - This represents the fair value of the stock options granted by the Parent Company under the Employees Stock Option Plan 2021 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumalated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognized.

Foreign currency translation reserve: Exchange difference on translation of long term monetary asset is accumalated in separate reserve within equity.

Note 15

Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Secured				
Term loans from banks	7,830.43	3,857.80	-	-
Working capital finance from banks	-	-	11,505.09	8,678.11
Current maturities of long-term debt	-	-	2,750.34	1,189.86
	7,830.43	3,857.80	14,255.43	9,867.97
Unsecured	-	-	-	-
	-	-	-	-
Total borrowings	7,830.43	3,857.80	14,255.43	9,867.97

Note 16

Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Payable towards services received			269.88	233.16
Unclaimed dividend*	-	-	61.38	53.96
Interest accrued and due	-	-	27.98	13.81
Forward contract premium payable	-	-	22.53	-
Deposits from distributors and others	-	-	23.01	21.71
Total other financial liabilities	-	-	404.78	322.64

* Amount required to be transferred to Investor Education and Protection Fund as at 31st March, 2023: ₹ 6.29 lacs in the books of the Parent Company .

Note 17

Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Provision for leave encashment	82.47	71.95	17.01	14.23
Provision for bonus	-	-	80.37	148.49
Provision for gratuity	6.51	3.56	0.24	0.24
Total provisions	88.98	75.51	97.62	162.96

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Note 18

Deferred tax liabilities

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
On account of timing differences in		
Depreciation on property, plant & equipment	741.84	623.90
Provision for doubtful debts	(42.01)	(37.67)
Difference of right-of use assets and lease liabilities	(24.08)	(12.82)
Provision of expenses allowed for tax purpose on payment basis (net)	(154.30)	(111.14)
	521.45	462.27

Note 19

Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Advances from customers	-	-	136.86	195.60
Statutory liabilities	-	-	864.40	473.35
Other liabilities	-	-	1,699.59	20.41
Total other liabilities	-	-	2,700.85	689.36

Note 20

Trade payables

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2023	31st March 2022
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	780.39	1,616.21
Total outstanding dues of creditors other than Micro and Small Enterprises	7,062.65	6,324.32
Total trade payables	7,843.04	7,940.53

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20.1 Trade payables ageing schedule:

(Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2023						
Outstanding dues to MSME	777.88	0.67	1.84	-	-	780.39
Others	2,812.77	4,142.27	27.83	11.46	68.32	7,062.65
Total....	3,590.65	4,142.94	29.67	11.46	68.32	7,843.04
31st March, 2022						
Outstanding dues to MSME	1,329.13	287.01	0.07	-	-	1,616.21
Others	4,083.50	2,141.26	16.50	8.73	74.33	6,324.32
Total....	5,412.63	2,428.27	16.57	8.73	74.33	7,940.53

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Note 21

Revenue from operations

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Sale of Products		
Export sales	46,104.94	38,175.11
Domestic sales	12,657.15	9,745.91
	58,762.09	47,921.02
Other Operating Revenue		
Export incentives & credits	120.11	68.12
Other operational income	506.65	401.00
Total revenue from operations	59,388.85	48,390.14

Note 22

Other income

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Interest income		
Banks	18.79	52.04
Others	53.00	10.80
Gain on foreign currency fluctuation	-	846.45
Profit on sale of property, plant & equipment (net)	8.86	54.44
Sunbsidy income	0.42	-
Miscellaneous income	77.94	42.96
Total other income	159.01	1,006.69

Note 23

Cost of materials consumed

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Raw materials consumed		
Opening stock *	3,560.88	486.97
Add: Purchases	19,603.65	12,722.04
	23,164.53	13,209.01
Less: Closing stock	(4,408.41)	(1,145.22)
	18,756.12	12,063.79
Packing material consumed		
Opening stock	278.58	224.84
Add: Purchases	2,733.18	4,119.18
	3,011.76	4,344.02
Less: Closing stock	(270.82)	(278.58)
	2,740.94	4,065.44
Bought out items	1,753.27	3,027.50
Total cost of material consumed	23,250.33	19,156.73

* Opening stock for the current year includes stock of one subsidiary acquired on 1st April 2022

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Note 24

Changes in inventories

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Closing Stock		
Finished goods	3,521.67	2,916.17
Stock-in-trade	2,832.49	3,115.36
Semi finished goods	560.42	1,692.54
	6,914.58	7,724.07
Opening Stock		
Finished goods	2,916.17	1,449.68
Stock-in-trade	3,115.36	1,649.00
Semi finished goods	1,692.54	850.16
	7,724.07	3,948.84
Changes in inventories	809.49	(3,775.23)

Note 25

Employee benefit expenses

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Salaries, wages, bonus and allowances	3,037.06	1,876.47
Directors' remuneration	832.17	482.52
Employee stock option expenses	150.38	369.82
Leave compensation	45.57	13.06
Contribution to provident fund and other welfare funds	170.52	136.54
Staff welfare expenses	250.29	480.45
Total employee benefit expenses	4,485.99	3,358.86

Note 26

Finance costs

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Interest		
Banks	1,251.87	754.58
Income tax	1.03	57.07
Others	132.60	74.60
	1,385.50	886.25
Other borrowing cost	66.95	70.63
Exchange rate difference	-	1.76
Total finance costs	1,452.45	958.64

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Note 27

Depreciation and amortisation expenses

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Tangible assets	2,330.53	1,567.13
Right of use assets	287.09	187.78
Intangible assets	18.02	17.41
Total depreciation and amortisation	**2,635.64**	**1,772.32**

Note 28

Other expenses

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Manufacturing Expenses		
Power & fuel	1,155.68	1,432.39
Machinery repairs and maintenance	126.18	158.67
Stores and spares	889.45	1,225.04
Other expenses	3,260.97	2,012.82
	5,432.28	4,828.92
Selling and Distriibution Expenses		
Sales commission	172.99	174.59
Advertisement and business promotion	1,272.86	835.73
Export frieght and insurance	2,534.83	4,966.53
Other selling expenses	961.58	798.35
	4,942.26	6,775.20
Administrative and Other Expenses		
Rent	260.23	207.72
Rates & taxes	7.35	17.47
Travelling expenses	690.41	412.35
Postage and telephone expenses	57.46	34.82
Printing & stationery expenses	150.15	72.85
Insurance premiums	174.44	83.56
Building and other repairs	250.70	233.87
Bank discount, commission and other charges	212.07	133.11
Loss on foreign currency fluctuation	241.39	-
Legal and professional fees	684.78	359.47
Payment to auditors	157.77	102.51
Directors sitting fees	21.25	18.15
Corporate social responsibility expenses	71.57	57.43
Donations	18.03	2.24
Bad debts, provision for doubtful advances and other write-offs	237.48	44.99
General expenses	311.95	368.53
	3,547.03	2,149.07
Total other expenses	**13,921.57**	**13,753.19**

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1. Amount required to be spent u/s 135(5) of the Companies Act 2013	71.69	49.10
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	71.57	57.43
3. (Excess)/Shortfall at the end of the year	0.12	(8.33)
4. Nature of CSR activities	Education, health, wellness, animal welfare.	
5. Details of related party transactions in relation to CSR expenditure to Ashwanilla Charitable Trust	58.77	15.73

Payments to auditors

Audit fees	151.69	96.15
Tax audit fees	2.90	2.40
Other services	3.18	3.96
	157.77	102.51

Note 29

Earning per share

Particulars	2022-2023	2021-2022
Profit for the year (₹ in lacs)	5,241.88	6,476.18
Weighted average number of shares for basic earning per share (Nos)	2,67,57,373	2,66,94,880
Weighted average number of shares for diluted earning per share (Nos)	2,68,53,288	2,68,43,877
Earnings per share (Basic) ₹	19.59	24.26
Earnings per share (Diluted) ₹	19.52	24.13
Face value per share ₹	2.00	2.00

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Note 30

Fair value measurement

Financial instruments by category :

(Indian ₹ in lacs)

Particulars	31st March 2023				31st March 2022			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	10,305.42	10,305.42	-	-	10,037.34	10,037.34
Loans - non-current	-	-	31.88	31.88	-	-	-	-
Loans - current	-	-	31.59	31.59			15.15	15.15
Other financial assets - non-current	-	-	363.41	363.41	-	-	157.54	157.54
Other financial assets - current	-	-	1,038.49	1,038.49	-	-	1,264.45	1,264.45
Cash and cash equivalents	-	-	409.26	409.26	-	-	527.65	527.65
Other bank balances	-	-	615.14	615.14	-	-	607.10	607.10
Total financial assets	-	-	**12,795.19**	**12,795.19**	-	-	**12,609.23**	**12,609.23**
Financial liabilities								
Borrowings								
Long term borrowings	-	-	7,830.43	7,830.43	-	-	3,857.80	3,857.80
Short term borrowings	-	-	14,255.43	14,255.43	-	-	9,867.97	9,867.97
Lease liabilities - non-current	-	-	1,051.65	1,051.65	-	-	981.76	981.76
Lease liabilities - current	-	-	364.33	364.33	-	-	295.71	295.71
Trade payables	-	-	7,843.04	7,843.04	-	-	7,940.53	7,940.53
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	404.78	404.78	-	-	322.64	322.64
Total financial liabilities	-	-	**31,749.66**	**31,749.66**	-	-	**23,266.41**	**23,266.41**

PARK & COMPANY Chartered Accountants

Note 31

Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit Risk

Credit risk referes to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

Customer credit risk is managed by the Group through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Export receivables are backed by forward contract. In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade recivables in accordance with the excepcted credit loss (ECL) policy of the Group.

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meed its commitments associated with

financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forcast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

(Amount in Indian ₹)

Particulars	Less than or equal to one year	more than one year	Total
As on 31st March 2023			
Financial Liabilities			
Long term borrowings	-	7,830.43	7,830.43
Short term borrowings	14,255.43	-	14,255.43
Lease liabilities	364.33	1,051.65	1,415.98
Trade payables	7,843.04	-	7,843.04
Other financial liabilities	404.78	-	404.78
Total financial liabilities	22,867.58	8,882.08	31,749.66

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As on 31st March 2022			
Financial Liabilities			
Long term borrowings	-	3,857.80	3,857.80
Short term borrowings	9,867.97	-	9,867.97
Lease liabilities	295.71	981.76	1,277.47
Trade payables	7,940.53	-	7,940.53
Other financial liabilities	322.64	-	322.64
Total financial liabilities	18,426.85	4,839.56	23,266.41

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Indian ₹ in lacs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2023	+100	220.86
	-100	(220.86)
March 31, 2022	+100	137.26
	-100	(137.26)

c) Exposure in foreign currency:

(Respective currencies in lacs)

The Group deals with foreign currency loan given, trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Hedged :

Category	31st March 2023	31st March 2022
Option Contract - Buy		
USD/EURO/GBP	41.06	214.04
Option Contract - Sell		
USD/EURO	-	0.75

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Unhedged:

Currency	31st March 2023	31st March 2022
Receivables		
USD	33.83	57.79
EURO	10.88	25.45
GBP	7.98	11.90
Payables		
USD	3.47	2.32
EURO	1.59	5.87
GBP	-	-

e) Foreign currency sensitivity

The Group is mainly exposed to changes in USD, GBP and EURO. The below table demostrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the the net unhedged exposure of the Group as at reporting date. 5% reprents management's assessment of reasonably possible change in foreign exchange rate.

(Indian ₹ in lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2023	USD	+5%	124.75
	USD	-5%	(124.75)
March 31, 2022	USD	+5%	227.93
	USD	-5%	(227.93)
March 31, 2023	GBP	+5%	40.48
	GBP	-5%	(40.48)
March 31, 2022	GBP	+5%	60.36
	GBP	-5%	(60.36)
March 31, 2023	EURO	+5%	41.49
	EURO	-5%	(41.49)
March 31, 2022	EURO	+5%	87.45
	EURO	-5%	(87.45)

Note 32

Capital management

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(Indian ₹ in lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Total debt	22,085.86	13,725.77
Total equity	30,338.08	25,369.46
Total debt to equity ratio	0.73	0.54

PARK & COMPANY Chartered Accountants

Dividends

(Indian ₹ in lacs)

Dividends recognised in the financial statements	31st March 2023	31st March 2022
Interim Dividend of Nil (₹ 1.20) per equity share	-	320.34
Final dividend ₹ 1.20 (1.20) per equity share	321.26	320.34

Dividends not recognised in the financial statements

Directors have recommended the payment of final dividend of ₹ 2.00 (1.20) per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	535.44	320.34

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Note 33

Contingent Liabilities

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
1	In respect of goods and service tax	-	30.02
2	In respect of income tax matters	-	72.55

Note 34

Employee benefits

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in confirmity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. Wherever the Group creates plan assets, it makes contributions to approved gratuity fund.

Funded Scheme - Gratuity

(Indian ₹ in lacs)

No. Particulars	31st March 2023	31st March 2022
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	263.13	228.84
Fair value of plan assets	270.42	236.11
Net unfunded obligation/(assets)	(7.29)	(7.27)
Expense recognised in the statement of profit and loss		
Current service cost	34.02	25.40
Interest on net defined benefit asset	(0.53)	2.75
Total expense charged to profit and loss Account	**33.49**	**28.15**
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss account	33.36	42.42
Remeasurements during the period due to:		
Return on plan assets	2.72	(0.32)
Actual (gain)/loss on obligation for the period	2.48	(8.74)
Closing amount recognised in OCI outside profit & loss account	38.56	33.36
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(7.27)	39.69
Expense charged to profit and loss account	33.49	28.15
Amount recognised outside profit and loss account	5.20	(9.06)
Benefits paid	-	-
Employer contributions	(38.71)	(66.05)
Closing net defined benefit liability/(asset)	(7.29)	(7.27)
Movement in benefit obligation		
Opening of defined benefit obligation	228.84	206.42
Current service cost	34.02	25.40
Interest on defined benefit obligation	16.82	14.30
Acturial loss/(gain) arising from change in financial assumptions	(3.20)	(8.95)
Benefits directly paid by the employer	-	-
Benefits paid	(19.03)	(8.54)
Acturial loss/(gain) on obligation -Due to Experience	5.68	0.21
Closing of defined benefit obligation	263.13	228.84

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Movement in plan assets

Opening fair value of plan assets	236.11	166.73
Actual return on plan assets excluding interest on plan assets	(2.72)	0.32
Interest income	17.35	11.55
Contributions by employer	38.71	66.05
Benefits paid	(19.03)	(8.54)
Closing of defined benefit obligation	270.42	**236.11**

Principal acturial assumptions

Discount Rate	7.49	7.35
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2023	31st March 2022
1	Discount Rate	1% Increase	(20.91)	(19.06)
		1% Decrease	24.50	22.37
2	Salary	1% Increase	22.51	21.14
		1% Decrease	(19.77)	(18.69)
3	Employee Turnover	1% Increase	0.18	(0.15)
		1% Decrease	(0.31)	0.08

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
1	Within the next 12 months (next annual reporting period)	26.07	17.51
2	Between 2 and 5 years	70.86	51.97
3	Beyod 5 years	530.37	481.43

Unfunded Scheme - Gratuity

(Indian ₹ in lacs)

No. Particulars	31st March 2023	31st March 2022
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	14.04	11.07
Fair value of plan assets	-	-
Net unfunded obligation	14.04	**11.07**
Expense recognised in the statement of profit and loss		
Current service cost	1.89	1.79
Interest on net defined benefit asset	0.81	0.62
Total expense charged to profit and loss Account	2.70	**2.41**

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Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	(2.06)	(1.79)
Remeasurements during the period due to:		
Return on plan assets	-	-
Actual (gain)/loss on obligation for the period	0.27	(0.27)
Closing amount recognised in OCI outside profit & loss account	**(1.79)**	**(2.06)**
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	11.07	8.93
Expense charged to profit and loss account	2.70	2.41
Amount recognised outside profit and loss account	0.27	(0.27)
Employer contributions	-	-
Closing net defined benefit liability/(asset)	**14.04**	**11.07**
Movement in benefit obligation		
Opening of defined benefit obligation	11.07	8.93
Current service cost	1.89	1.79
Interest on defined benefit obligation	0.81	0.62
Acturial loss/(gain) arising from change in financial assumptions	(0.26)	(0.55)
Benefits paid	-	-
Acturial loss/(gain) on obligation -Due to Experience	0.53	0.28
Closing of defined benefit obligation	**14.04**	**11.07**

Principal acturial assumptions		
Discount Rate	7.33	7.33
Salary escalation rate p.a.	7.00	7.00
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2023	31st March 2022
1	Discount Rate	1% Increase	(1.45)	(1.27)
		1% Decrease	1.71	1.52
2	Salary	1% Increase	1.70	1.51
		1% Decrease	(1.47)	(1.29)
3	Employee Turnover	1% Increase	(0.02)	0.01
		1% Decrease	(0.03)	(0.01)

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
1	Within the next 12 months (next annual reporting period)	0.30	0.24
2	Between 2 and 5 years	1.51	1.14
3	Beyod 5 years	37.78	32.82

Note 35

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-2023, to the extent the Group has received intimation from the suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	780.39	1,616.21
2	Interest due on above	4.37	-

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Note : The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note 36

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are gien below:

Sr No.	Particulars	Country of Incorporation
	(i) Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
1	Acrycol Minerals Limited	India
2	Ashwanilla Charitable Trust	India
	(ii) Key Managerial Personnel	
3	Mr. Chirag A Parekh	
4	Dr. Sonal V Ambani	
5	Mr. Jagdish R Naik	
6	Mr. Ajit R Sanghavi	
7	Mr. Pradeep H Gohil	
8	Mr Rustam Mulla	
9	Mr. Marcus J Smyth	
10	Mr. Anand H Sharma	
11	Mrs. Neha Poddar (upto 24th November, 2022)	
12	Ms. Reena Shah (w.e.f. 25th November, 2022)	
13	Ms. Pooja Ponda (upto 28th February, 2023)	
	(iii) Relatives of Key Managerial Personnel	
14	Ms. Rhea Chirag Parekh	

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(Indian ₹ in lacs)

Nature of transaction	Relationship	Year ended 31st March 2023	Year ended 31st March 2022
1. Purchase of materials			
Acrycol Minerals Limited	Associate	1,515.84	2,461.17
2. Corporate social responsibility			
Ashwanilla Charitable Trust	Associate	58.77	15.73
3. Donations			
Ashwanilla Charitable Trust	Associate	-	3.00
Outstanding balances:			
1. Other current assets			
Ashwanilla Charitable Trust	Associate	2.35	5.47
2. Trade Payables			
Acrycol Minerals Limited	Associates	260.98	85.69
Key management personnel and relatives			
1. Remuneration *			
Mr. Chirag Parekh	Chairman & Managing Director	480.40	336.56
Mr. Marcus J Smyth	Director	373.38	145.96
Mr. Anand Sharma	Chief Financial Officer	72.79	92.99
Ms. Neha Poddar	Company Secretary	8.06	25.84
Ms. Reena Shah	Company Secretary	7.72	-
Ms. Pooja Ponda	Company Secretary	4.47	4.10
Ms. Rhea Chirag Parekh	Relative of KMP	4.58	4.91
	Total...	951.40	610.36
* including contribution to PF and other funds and ESOP expenses			
2. Loan repayment received			
Mr. Anand Sharma	Chief Financial Officer	6.76	-
3. Loan given			
Mr. Anand Sharma	Chief Financial Officer	21.50	-

PARK & COMPANY Chartered Accountants

4. Sitting fees			
Mr. Jagdish R Naik	Independent Director	3.20	3.35
Mr. Ajit R Sanghvi	Independent Director	4.00	3.35
Mr. Pradeep H Gohil	Independent Director	5.05	4.50
Dr. Sonal Ambani	Independent Director	5.30	4.70
Mr. Rustam Mulla	Independent Director	3.70	2.25
	Total...	21.25	18.15
Outstanding Balances:			
1. Loan given receivables			
Mr. Anand Sharma	Chief Financial Officer	14.74	-
2. Other financial current liabilities			
Mr. Chirag Parekh	Chairman & Managing Director	81.84	-
Mr. Anand Sharma	Chief Financial Officer	-	0.85
	Total...	81.84	0.85
3. Other advances			
Ms. Neha Poddar	Company Secretary	-	0.25

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Note 37

Disclosure in terms of Schedule III of the Companies Act, 2013

(Indian ₹ in lacs)

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
1. Parent								
Carysil Limited	74.04	22,463.30	48.81	2,558.30	2.60	(3.89)	50.16	2,554.41
2. Subsidiaries								
Carysil Steel Limited	8.44	2,559.90	5.25	275.46	(0.13)	(0.20)	5.41	275.26
Carysil Online Limited	0.32	96.01	(0.27)	(14.24)	-	-	(0.28)	(14.24)
Sternhagen Bath Private Limited	0.00	(0.57)	(0.02)	(1.25)	-	-	(0.02)	(1.25)
Carysil UK Limited	22.52	6,831.98	82.08	4,302.47	-	-	84.49	4,302.47
Carysil Gmbh	0.19	56.83	(2.48)	(130.13)	-	-	(2.56)	(130.13)
Carysil Products Limited	12.67	3,845.22	25.45	1,333.97	-	-	26.20	1,333.97
Carysil Surfaces Limited	11.37	3,449.74	30.23	1,584.86	-	-	31.12	1,584.86
Carysil Ceramictech Limited	0.01	3.72	(0.02)	(1.28)	-	-	(0.03)	(1.28)
Carysil FZ LLC*	-	-	-	-	-	-	-	-
Tickfiord Orange Limited**	-	-	(0.11)	(5.58)	-	-	(0.11)	(5.58)
Add/(Less): Inter-company adjustments	(29.56)	(8,968.05)	(15.36)	(4,660.70)	97.27	(145.76)	(94.39)	(4,806.46)
Total...	100.00	30,338.08	100.00	5,241.88	100.00	(149.85)	100.00	5,092.03

* operation is yet to be started

** upto 31st March, 2023

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Note No. 38 Employee share based payments :

During the year ended 31st March, 2022, the Parent Company implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on 3rd May, 2021. The Plan enables grant of stock options to the eligible employees of the Parent Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in agrregate shall not be equal to to exceed 1% of the issued capital of the Parent Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Parent Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a)	**Details of stock options granted:**			
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	**Outstanding options at the beginning of the year**	-	-	-
	Option granted during the year	1,12,500	67,500	45,000
	Options exercised during the year	(77,061)	-	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	(21,939)	(15,412)	(10,274)
	Balance at the end of the year	**13,500**	**52,088**	**34,726**
	Weighted average remaining life (years)	-	1	2

b) Fair value of stock options granted:

Fair value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:

1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend yeild (%)	0.34	0.34	0.34
5	Market price at the time of grant of options (₹)	354.86	354.86	354.86

During the year, the Parent Company has recognized expense of ₹ 112.76 lacs (previous year: ₹ 287.87 lacs). Expenses in respect of ESOPs granted to the employees of subsidiaries ₹ 37.62 (₹ 81.95 lacs) lacs are recognized as capital contribution to subsidiaries.

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39. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given

a. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.

b. The Group do not have any Benami property, where any proceeding has been intiated or pending against the Group for holding any Benami property.

c. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

d. The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

e. The Group do not have any transactions with struck-off companies.

f. The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g. The Group have compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

h. The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

i The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. 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

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

PARK & COMPANY Chartered Accountants

40 Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.

41 All the amounts are stated in ₹ in lacs, unless otherwise stated.

42 Previous year's figures are regrouped and rearranged, wherever necessaary.

Signatures to Notes 1 to 42

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

JAGDISH NAIK
Director
DIN: 00030172

ANAND SHARMA
Chief Financial Officer
PAN: AMOPS6827M

REENA SHAH
Company Secretary
PAN: BQBPS9698N

Bhavnagar
May 25, 2023

Bhavnagar/Mumbai
May 25, 2023

INDEPENDENT AUDITOR'S REPORT

To
The Members of
ACRYSIL LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Acrysil Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, a summary of the significant accounting policies and notes to the consolidated financial statements (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022 and of the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters in respect of the Holding Company to be communicated in our report:

PARK & COMPANY Chartered Accountants

Key Audit Matter:
Revenue from the sale of goods ("Revenue") is recognized when the Holding Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Holding Company.

Auditor's Response:
Our audit approach was a combination of test of internal controls and substantive procedures including assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof; evaluating the integrity of the general information and control environment and testing the operating effectiveness of key controls.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the consolidated financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

PARK & COMPANY Chartered Accountants

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PARK & COMPANY Chartered Accountants

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

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

Other Matters

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of Rs. 13,527.36 lacs as at 31st March, 2022, total revenues of Rs. 15,484.62 lacs and net profit after tax (including other comprehensive income) of Rs. 1,836.01 lacs for the year as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except following:

Sr. No.	Name	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
1	Acrysil Limited	Holding Company	(iii)(e)	Renewal of loan
2	Carysil Online Limited	Subsidiary	(iii)(e)	Renewal of loan

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;

PARK & COMPANY Chartered Accountants

c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

e) On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms section 164(2) of the Act;

f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – A may be referred;

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and according to the reports of the auditors of the subsidiaries incorporated in India, remuneration paid by the Holding Company and its subsidiaries incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;

iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company or its subsidiaries incorporated in India.

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

PARK & COMPANY Chartered Accountants

b. The respective managements of the Holding company and its subsidiaries, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company or subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiaries 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 such 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 (a) and (b) above, contain any material misstatement.

i) The dividend declared or paid during the year by the Holding Company is in compliance with section 123 of the Act. No dividend has been declared or paid during the year by subsidiaries incorporated in India.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

P A R K & CO. Chartered Accountants

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 22170275AJCUHH4699

Bhavnagar
May 17, 2022

6

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 of even date)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Acrysil Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgement, 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 and the audit evidence obtained by the other auditors of subsidiaries which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiaries incorporated in India.

PARK & COMPANY Chartered Accountants

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 and based on the consideration of the reports of the auditors referred to in Other Matters paragraph below, the Holding Company and its subsidiaries, which are companies incorporated in India, have, 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 31st March, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries incorporated in India, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 22170275AJCUHH4699

P A R K & CO. Chartered Accountants

Bhavnagar
May 17, 2022

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	16,833.61	12,117.99
Right of use assets	3	1,226.54	495.15
Capital work in progress	2	2,074.55	1,001.32
Intangible assets	4	179.96	185.45
Goodwill		2,391.77	2,391.77
Financial assets			
Investments		-	-
Loans	5	-	-
Other financial assets	6	157.54	122.95
Other non-current assets	7	1,711.35	714.68
		24,575.32	17,029.31
Current Assets			
Inventories	8	10,422.78	5,455.10
Financial assets			
Investments		-	-
Trade receivables	9	10,037.34	8,302.13
Cash and cash equivalents	10	527.65	773.53
Other bank balances	11	607.10	1,239.55
Loans	5	15.15	13.23
Other financial assets	6	1,264.45	1,732.45
Current tax assets (net)	12	4,593.08	2,901.77
Other current assets	7	3,290.35	1,678.44
		30,757.90	22,088.20
Total Assets		55,333.22	39,117.51
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	533.90	533.90
Other equity	14	24,835.56	18,607.57
Non controlling interests		324.26	256.00
		25,693.72	19,397.47
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	3,857.80	2,170.64
Lease liabilities		981.76	458.33
Other financial liabilities	16	-	-
Provisions	17	75.51	68.71
Deferred tax liabilities (net)	18	462.27	397.67
Other non-current liabilities	19	-	-
		5,377.34	3,095.35
Current liabilities			
Financial Liabilities			
Borrowings	15	9,867.97	7,958.07
Lease liabilities		295.71	97.93
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		1,616.21	1,024.29
Total outstanding dues of creditors other than Micro and Small Enterprises		6,324.32	3,153.25
Other financial liabilities	16	322.64	324.25
Other current liabilities	19	689.36	785.62
Provisions	17	162.96	102.87
Current tax liabilities (net)	12	4,982.99	3,178.41
		24,262.16	16,624.69
Total Liabilities		55,333.22	39,117.51

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

PARK & COMPANY Chartered Accountants

[illegible] DAVE
Partner

For and on behalf of the Board of Directors

[illegible]
Chairman & Managing Director
DIN [illegible]

JAGDISH NAIK
Director
DIN [illegible]

Neha

ANAND [illegible]
Chief Financial Officer

NEHA [illegible]
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar / Mumbai
May 17, 2022

ACRYSIL LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(Indian ₹ in lacs)

Particulars	Note No.	2021-2022	2020-2021
REVENUE			
Revenue from operations (net)	21	48,790.14	30,971.66
Other income	22	1,006.69	800.55
Total Income		**49,796.83**	**31,772.21**
EXPENSES			
Cost of materials consumed	23	19,156.75	10,384.62
Purchases of stock-in-trade		5,564.27	3,102.20
Changes in inventories	24	(3,775.23)	689.04
Employee benefits expenses	25	3,758.86	2,224.13
Finance costs	26	958.62	730.21
Depreciation and amortisation expenses	27	1,772.32	1,266.43
Other expenses	28	13,753.19	7,992.37
Total Expenses		**41,188.78**	**26,389.00**
Profit before exceptional items and tax		**8,608.05**	**5,383.21**
Exceptional items		-	-
Profit before tax		**8,608.05**	5,383.21
Tax expenses			
Current tax	12	2,034.15	1,238.32
Earlier years' tax		(14.00)	8.48
Deferred tax		62.25	204.65
Profit for the year		6,525.65	**3,931.76**
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		9.32	(23.19)
b. Tax impacts on above		(2.35)	5.83
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		(3.03)	(0.64)
Other comprehensive income for the year		3.94	**(18.00)**
Total Comprehensive Income for the year		**6,529.59**	**3,913.76**
Profit for the year attributable to:			
Owners of the Parent		6,476.18	3,912.36
Non-controlling interests		49.47	19.40
		6,525.65	**3,931.76**
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		3.91	(18.14)
Non-controlling interests		0.03	0.14
		3.94	**(18.00)**
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		6,480.09	3,894.22
Non-controlling interests		49.50	19.54
		6,529.59	3,913.76
Basic earning per share	29	24.26	14.66
Diluted earning per share	29	24.13	14.66
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Partner

Charted Accountants

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director

JAGDISH NAIK
Director

ANAND SHARMA
Chief Financial Officer

NEHA PODDAR
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

A. SHARE CAPITAL

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
At the beginning of the year	533.90	533.90
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current year	-	-
At the end of the year	533.90	533.90

B. OTHER EQUITY

(Indian ₹ in lacs)

Particulars	General reserve	Retained earnings	Capital reserve	Security premium	Share based payment reserve	Other Comprehensive Income: Foreign currency translation reserve	Other Comprehensive Income: Net gain/(loss) on fair value of defined benefit plan	Other Equity Attributable to owners of Parent	Non-controlling interest
As at 1st April, 2020	4,199.60	6,990.36	25.20	4,035.29	-	10.62	(13.82)	15,287.25	236.46
Profit for the year	-	3,912.36	-	-	-	-	-	3,912.36	19.40
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(0.64)	(17.50)	(18.14)	0.14
Transfer from retained earnings to general reserve	500.00	(500.00)	-	-	-	-	-	-	-
Final dividend , declared and paid during the year	-	(533.90)	-	-	-	-	-	(533.90)	
As at 31st March, 2021	4,699.60	9,868.82	25.20	4,035.29	-	9.98	(31.32)	18,647.57	256.00
Profit for the year	-	6,476.18	-	-	-		-	6,476.18	49.47
Addition during the year		-	-	18.76	-	-	-	18.76	18.76
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(3.03)	6.94	3.91	0.03
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	369.82	-	-	369.82	-
Final dividend , declared and paid during the year	-	(640.68)					-	(640.68)	-
As at 31st March, 2022	5,699.60	14,704.32	25.20	4,054.05	369.82	6.95	(24.38)	24,875.56	324.26

The accompanying notes are integral part of these financial statements

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN: [illegible]

JAGDISH NAIK
Director
DIN: [illegible]

ANAND SHARMA
Chief Financial Officer

NEHA PODDAR
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

ACRYSIL LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(Indian ₹ in lacs)

Particulars	2021-2022		2020-2021	
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit for the year		6,525.65		3,931.76
Adjustments for -				
Depreciation and amortization	1,772.72		1,266.43	
Income tax expenses	2,082.40		1,451.45	
Loss / (profit) on sale of property, plant & equipment	(54.44)		(1.46)	
Employee stock options	369.82		-	
Impairment loss recognised on trade receivables and others	44.99		538.28	
Exchange rate adjustments (net)	(3.03)		(0.64)	
Interest income	(62.84)		(116.45)	
Finance cost	958.64		730.21	
Operating profit before working capital changes	5,107.86		3,867.82	
Adjustments for -				
Trade and other receivables	(716.26)		(3,146.91)	
Other current and non-current assets	(2,616.58)		(763.19)	
Inventories	(4,967.68)		519.30	
Provision	76.21		15.41	
Other current and non-current liabilities	(96.26)		339.49	
Trade and other payables	3,757.96		1,022.25	
Cash generated from operations	(4,562.62)		(2,013.65)	
Income tax paid	(1,506.88)	(1,361.60)	(1,244.01)	610.16
NET CASH FROM OPERATING ACTIVITIES		**5,164.01**		**4,541.92**
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of property, plant & equipment	(7,722.02)		(3,655.46)	
Sale of property, plant & equipment	408.56		63.10	
Interest received	62.84		116.45	
NET CASH USED IN INVESTING ACTIVITIES		**(7,290.62)**		**(3,475.91)**
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from borrowings	3,597.06		496.01	
Payment of lease liabilities	(197.95)		(121.35)	
Changes in non-controlling interest	37.52		-	
Dividend paid to owner of the Company	(641.63)		(528.99)	
Interest paid	(954.27)		(730.21)	
NET CASH USED IN FINANCING ACTIVITIES		**1,840.73**		**(884.54)**
Net Increase in Cash and Cash Equivalents		**(245.88)**		**181.47**
Cash and cash equivalents as at beginning of the year		773.53		592.06
Cash and cash equivalents as at end of the year		527.65		773.53

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN [illegible]

JAGDISH NAIK
Director
DIN [illegible]

ANAND SHARMA
Chief Financial Officer

NEHA PODDAR
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

COMPANY INFORMATION

Acrysil Limited ("the Holding Company") is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at A 702, Kanakia Wall Street, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31st March, 2022.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements ('the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors of the Company on 17th May, 2022.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

1.2 Significant accounting policies:

a. System of accounting

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realized within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.

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- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Group's normal operating cycle;
  - It is held primarily for the purpose of being traded;
  - It is due to be settled within 12 months after the reporting date;
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Group.

1.2 Basis for consolidation:

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary companies used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements present the consolidated accounts of the Company along with its following subsidiaries:

Sr No.	Entity	Proportion of Ownership Interest as at 31st March 2022
1	Acrysil Steel Limited	84.99%
2	Acrysil GmbH, Köln - Germany	100.00%
3	Acrysil Products Limited - United Kingdom	100.00%
4	Acrysil UK Limited - United Kingdom	100.00%
5	Carysil Online Limited (formerly knowns as "Acrysil Appliances Limited")	100.00%
6	Sternhagen Bath Private Limited	84.90%

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The consolidated financial statements have been prepared on the following basis:

Subsidiaries

a) A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

b) The Company combines the financial statements of the parent and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

c) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

c. Property, plant and equipment

(i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e 1st April, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

(iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.

(iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

(v) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.

(vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use and design and property rights of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.

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(vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

e. Investments and financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at -

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

f. Inventories

(i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.

(ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.

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(iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

h. Trade receivables

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured net of any expected credit losses.

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

j. Financial liabilities

(i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

k. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

l. Revenue recognition

(i) Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the teams of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

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(ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

(iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.

(iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.

(v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

m. Custom Duty and GST:

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

n. Foreign currency transactions

(i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.

(ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.

(iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

o. Employee benefit expenses

(i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.

(ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

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(iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

(iv) Employee Share based Payments: The Holding Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognized as expense on a straight-line basis over the vesting period, based on the Holding Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Holding Company revises its estimate of number of equity shares expected to vest.

Fair value of the ESOP granted to the employees of subsidiaries are considered as capital contribution by the Holding company on a straight-line basis over the vesting period which, will be adjusted by any recharge in the subsequent years by the subsidiaries.

p. Leases

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

q. Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. Impairment of non financial assets

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

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s. Taxation

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the tax laws of the respective countries. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

t. Provisions and contingent liabilities

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

u. Earnings Per Share

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

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v. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Group. The activities of the Group primarily fall under a single segment of "manufacturing and trading of kitchen sinks, bath products and other appliances" in accordance with the Ind AS 108 "Operating Segments".

w. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

x. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

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Note 2

Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Mould and Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at 1st April, 2020	3,413.55	2,315.96	3,081.84	6,024.21	456.17	821.99	516.81	18,630.53
Additions	127.39	701.08	1,601.60	797.07	83.22	218.11	-	3,528.47
Disposals	-	(73.18)	-	-	-	(3.28)	-	(76.46)
As at 31st March, 2021	3,540.94	2,943.86	4,683.44	6,821.28	539.39	1,036.82	516.81	20,082.54
Additions	87.75	2,011.68	2,980.68	1,237.92	138.04	55.96	124.84	6,636.87
Disposals	(345.63)	-	-	-	-	-	(18.90)	(364.53)
As at 31st March, 2022	3,283.06	4,955.54	7,664.12	8,059.20	677.43	1,092.78	622.75	26,354.88
Accumulated depreciation								
As on 1st April, 2020	-	477.98	1,639.08	3,420.49	420.67	518.26	375.15	6,851.63
Depreciation charged	-	95.22	329.31	525.54	46.69	86.71	44.27	1,127.74
Disposals	-	(14.65)	-	-	-	(0.17)	-	(14.82)
As at 31st March, 2021	-	558.55	1,968.39	3,946.03	467.36	604.80	419.42	7,964.55
Depreciation charged	-	123.52	583.28	604.21	81.49	120.51	54.12	1,567.13
Disposals	-	-	-	-	-	-	(10.41)	(10.41)
As at 31st March, 2022	-	682.07	2,551.67	4,550.24	548.85	725.31	463.13	9,521.27
Net carrying value								
As at 31st March, 2021	3,540.94	2,385.31	2,715.05	2,875.25	72.03	432.02	97.39	12,117.99
As at 31st March, 2022	3,283.06	4,273.47	5,112.45	3,508.96	128.58	367.47	159.62	16,833.61

Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March, 2022					
Projects in progress	2,074.55	-	-	-	2,074.55
	2,074.55	-	-	-	2,074.55
31st March, 2021					
Projects in progress	1,001.32	-	-	-	1,001.32
	1,001.32	-	-	-	1,001.32

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

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Note 3

Right of use assets

(Indian ₹ in lacs)

Particulars	Building	Total
Gross carrying value		
As at 31st March, 2020	294.57	294.57
Additions	544.67	544.67
Disposals	(146.66)	(146.66)
As at 31st March, 2021	692.58	692.58
Additions	1,164.52	1,164.52
Disposals	(440.33)	(440.33)
As at 31st March, 2022	1,416.77	1,416.77
Accumalated depreciation		
As at 31st March, 2020	152.45	152.45
Depreciation charged	118.31	118.31
Disposals	(73.33)	(73.33)
As at 31st March, 2021	197.43	197.43
Depreciation charged	187.78	187.78
Disposals	(194.98)	(194.98)
As at 31st March, 2022	190.23	190.23
Net carrying value		
As at 31st March, 2021	495.15	495.15
As at 31st March, 2022	1,226.54	1,226.54

Leases - Company as a lessee

(a) Set out below, are the amounts recognized in profit and loss:

(Indian ₹ in lacs)

Particulars	March 31, 2022	March 31, 2021
Amortisation expense of right-of-use assets	187.78	118.31
Interest expense on lease liabilities	62.38	16.88
Lease expense- Short term and lease of low value assets	207.72	254.17
	457.88	389.36

(b) Lease liabilities included in the financial statements:

(₹ in lacs)

Particulars	March 31, 2022	March 31, 2021
Current	295.71	97.93
Non-current	981.76	458.33
Total lease liabilities	1,277.47	556.26

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Note 4

Intangible assets

(Indian ₹ in lacs)

Particulars	Design & Property Rights	Computer Software	Total
Gross carrying value (at deemed cost)			
As at 1st April, 2020	165.09	100.97	266.06
Additions	-	34.54	34.54
As at 31st March, 2021	165.09	135.51	300.60
Additions	-	11.92	11.92
As at 31st March, 2022	165.09	147.43	312.52
Accumalated depreciation			
As on 1st April, 2020	37.88	56.89	94.77
Depreciation charged	16.51	3.87	20.38
As at 31st March, 2021	54.39	60.76	115.15
Depreciation charged	16.51	0.90	17.41
As at 31st March, 2022	70.90	61.66	132.56
Net carrying value			
As at 31st March, 2021	110.70	74.75	185.45
As at 31st March, 2022	94.19	85.77	179.96

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Note 5

Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Unsecured, considered good				
Employee loans	-	-	15.15	13.23
Other loans	-	-	-	-
Total loans	-	-	15.15	13.23

Note 6

Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Security deposits	157.54	122.95	-	-
Claims receivables	-	-	1,044.20	1,525.36
Forward contract premium receivables	-	-	175.83	143.48
Interest receivables	-	-	44.42	63.61
Total other financial assets	157.54	122.95	1,264.45	1,732.45

Note 7

Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Trade advances to suppliers	-	-	293.56	607.10
Less: Provision for doubtful advances	-	-	(22.86)	(22.86)
			270.70	584.24
Capital advances	1,711.35	714.68	-	-
Advances to staff	-	-	12.28	18.02
Prepaid expenses	-	-	311.44	44.66
Input credit receivables	-	-	2,615.18	967.33
Other advances	-	-	80.75	56.19
Total other assets	1,711.35	714.68	3,290.35	1,670.44
includes:				
- To companies or firms in which some of the directors are interested	-	-	5.47	257.95

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Note 8

Inventories

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Stores & spares	116.63	53.89
Stock-in-trade	3,115.36	1,649.00
Raw materials	1,145.22	486.97
Finished goods	2,916.17	1,449.68
Semi finished goods	1,692.54	850.16
Bought out items	1,158.28	740.56
Packing materials	278.58	224.84
Total inventories	10,422.78	5,455.10

Note 9

Trade Receivables

(Unsecured, considered good unless otherwise stated)

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Unsecured, considered good	9,988.11	8,252.79
Unsecured, significant increase in credit risk	98.69	98.70
Unsecured, considered doubtful	102.03	70.42
Less: Loss allowance for doubtful debts	(151.49)	(119.78)
Total trade receivables	10,037.34	8,302.13

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9.1 Trade receivables ageing schedule:

(Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2022							
Undisputed, considered good	6,561.50	3,378.36	22.45	25.80	-	-	9,988.11
Undisputed having significant increase in credit risk	-	-	-	-	39.30	-	39.30
Undisputed trade receivables-credit impaired	-	-	-	-	-	61.20	61.20
Disputed having significant increase in credit risk	-	-	-	-	59.39	-	59.39
Disputed trade receivables-credit impaired	-	-	-	-	-	40.83	40.83
	6,561.50	**3,378.36**	**22.45**	**25.80**	**98.69**	**102.03**	**10,188.83**
			Less: Allowance for credit losses				**(151.49)**
			Total trade receivables				**10,037.34**
31st March, 2021							
Undisputed, considered good	4,812.23	3,219.59	69.74	151.23	-	-	8,252.79
Undisputed having significant increase in credit risk	-	-	-	-	98.70	-	98.70
Undisputed trade receivables-credit impaired	-	-	-	-	-	70.42	70.42
	4,812.23	**3,219.59**	**69.74**	**151.23**	**98.70**	**70.42**	**8,421.91**
			Less: Allowance for credit losses				**(119.78)**
			Total trade receivables				**8,302.13**

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Note 10

Cash and cash equivalents

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Balances with banks	522.91	583.21
Short term deposits	-	150.00
Cash on hand	4.74	40.32
Total cash and cash equivalents	527.65	773.53

Note 11

Other bank balances

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Dividend accounts	53.26	54.21
Other term deposits*	553.84	1,185.34
Total other bank balances	607.10	1,239.55

* includes ₹ 41.68 lacs (₹ 136.12 lacs) balances with banks under lien with banks against various credit facilities

Note 12

Income tax assets (net)

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Income tax assets	4,593.08	2,901.77
Current income tax liabilities	4,982.99	3,178.41
Net assets / (liabilities)	(389.91)	(276.64)
The gross movement in the current tax (asset) / liability		
Net current income tax liabilities at the beginning	276.64	273.85
Income tax paid (net of refunds)	(1,906.88)	(1,244.01)
Current income tax expense	2,020.15	1,246.80
Net current income tax asset at the end	389.91	276.64

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Note 13

Equity share capital

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subsribed and Paid up		
2,66,94,880 equity shares of ₹ 2 each	533.90	533.90
Total equity share capital	533.90	533.90

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year : (Indian ₹ in lacs)

Particulars	As on 31st March, 2022		As on 31st March, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	2,66,94,880	533.90	2,66,94,880	533.90
Issue of equity shares during the year	-	-	-	-
Balance at end of the year	2,66,94,880	533.90	2,66,94,880	533.90

c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March ,2022		As at 31st March 2021		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.34	86,33,480	32.34	-
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18	-
Pushpa R Parekh	7,34,760	2.75	7,34,760	2.75	-
Shetal C Parekh	5,50,000	2.06	5,50,000	2.06	-
Jatin R Parekh	4,19,250	1.57	4,19,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

Name of Shareholder	As at 31st March ,2021		As at 31st March 2020		Change
	Nos.	% of holding	Nos.	% of holding	(%)
Chirag Parekh	86,33,480	32.34	86,29,730	32.33	0.01
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18	-
Pushpa R Parekh	7,34,760	2.75	7,34,760	2.75	-
Shetal C Parekh	5,50,000	2.06	5,50,000	2.06	-
Jatin R Parekh	4,19,250	1.57	4,19,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-
Ashwin M Parekh	-	-	3,750	0.01	0.01

d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	86,33,480	32.34	86,33,480	32.34
Abakkus Emerging Opportunities Fund - 1	16,43,050	6.15	17,22,338	6.45
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18

e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

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Note 14

Other equity

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Capital reserve	25.20	25.20
General Reserve		
Balance at the beginning of the year	4,699.60	4,199.60
Transferred from retained earnings	1,000.00	500.00
Balance at the end of the year	5,699.60	4,699.60
Securities Premium Account	4,035.29	4,035.29
Addition during the year	18.76	-
	4,054.05	4,035.29
Retained earnings		
Balance at the beginning of the year	9,868.82	6,990.36
Profit for the year	6,476.18	3,912.36
Appropriations		
Transfer to general reserve	(1,000.00)	(500.00)
Dividend	(640.68)	(533.90)
Balance at the end of the year	14,704.32	9,868.82
Share based payment reserve	-	-
Addition during the year	369.82	-
	369.82	-
Other components of equity:		
Remeasurement of defined benefit plans (net of tax)	(24.38)	(31.32)
Excahnge differences on foreign currency translation of foreign operations	6.95	9.98
	(17.43)	(21.34)
Total other equity	**24,835.56**	**18,607.57**

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve puruant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Share based payment reserve - This represents the fair value of the stock options granted by the Parent Company under the Employees Stock Option Plan 2021 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumalated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognized.

Foreign currency translation reserve: Exchange difference on translation of long term monetary asset is accumalated in separate reserve within equity.

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Note 15

Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Secured				
Term loans from banks	3,857.80	2,170.64	-	-
Working capital finance from banks	-	-	8,678.11	7,273.49
Current maturities of long-term debt	-	-	1,189.86	684.58
	3,857.80	2,170.64	9,867.97	7,958.07
Unsecured	-	-	-	-
	-	-	-	-
Total borrowings	3,857.80	2,170.64	9,867.97	7,958.07

Note 16

Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Payable towards services received			233.16	237.38
Unclaimed dividend	-	-	53.96	54.91
Interest accrued and due	-	-	13.81	9.44
Deposits from distributors and others	-	-	21.71	22.52
Total other financial liabilities	-	-	322.64	324.25

Note 17

Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Provision for leave encashment	71.95	60.22	14.23	11.85
Provision for bonus	-	-	148.49	50.90
Provision for gratuity	3.56	8.49	0.24	40.12
Total provisions	75.51	68.71	162.96	102.87

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Note 18

Deferred tax liabilities

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
On account of timing differences in		
Depreciation on property, plant & equipment	623.90	637.22
Provision for doubtful debts	(37.67)	(108.69)
Other disallowances under tax laws	(123.96)	(130.86)
	462.27	397.67

Note 19

Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Advances from customers	-	-	195.60	216.00
Payable for capital assets	-	-	-	40.00
Statutory liabilities	-	-	473.35	447.22
Other liabilities	-	-	20.41	82.40
Total other liabilities	-	-	689.36	785.62

Note 20

Trade payables

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2022	31st March 2021
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	1,616.21	1,024.29
Total outstanding dues of creditors other than Micro and Small Enterprises	6,324.32	3,153.25
Total trade payables	7,940.53	4,177.54

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20.1 Trade payables ageing schedule:

(Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2022						
Outstanding dues to MSME	1,329.13	287.01	0.07	-	-	1,616.21
Others	4,083.50	2,141.26	16.50	8.73	74.33	6,324.32
Total....	**5,412.63**	**2,428.27**	**16.57**	**8.73**	**74.33**	**7,940.53**
31st March, 2021						
Outstanding dues to MSME	959.26	65.03	-	-	-	1,024.29
Others	2,445.79	588.08	10.02	24.67	84.69	3,153.25
Total....	**3,405.05**	**653.11**	**10.02**	**24.67**	**84.69**	**4,177.54**

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Note 21

Revenue from operations

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Sale of Products		
Export sales	38,175.11	23,652.24
Domestic sales	9,745.91	6,370.77
	47,921.02	30,023.01
Other Operating Revenue		
Export incentives & credits	68.12	817.74
Other operational income	401.00	130.91
Total revenue from operations	48,390.14	30,971.66

Note 22

Other income

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Interest income		
Banks	52.04	86.49
Others	10.80	29.96
Gain on foreign currency fluctuation	846.45	582.92
Profit on sale of property, plant & equipment (net)	54.44	1.46
Sunbsidy income	-	81.99
Miscellaneous income	42.96	17.73
Total other income	1,006.69	800.55

Note 23

Cost of materials consumed

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Raw materials consumed		
Opening stock	486.97	586.15
Add: Purchases	12,722.04	5,971.31
	13,209.01	6,557.46
Less: Closing stock	(1,145.22)	(486.97)
	12,063.79	6,070.49
Packing material consumed		
Opening stock	224.84	119.63
Add: Purchases	4,119.18	2,588.80
	4,344.02	2,708.43
Less: Closing stock	(278.58)	(224.84)
	4,065.44	2,483.59
Bought out items	3,027.50	1,830.54
Total cost of material consumed	19,156.73	10,384.62

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Note 24

Changes in inventories

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Closing Stock		
Finished goods	2,916.17	1,449.68
Stock-in-trade	3,115.36	1,649.00
Semi finished goods	1,692.54	850.16
	7,724.07	3,948.84
Opening Stock		
Finished goods	1,449.68	1,292.91
Stock-in-trade	1,649.00	2,150.22
Semi finished goods	850.16	1,194.75
	3,948.84	4,637.88
Changes in inventories	(3,775.23)	689.04

Note 25

Employee benefit expenses

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Salaries, wages, bonus and allowances	2,246.29	1,673.05
Directors' remuneration	482.52	302.38
Leave compensation	13.06	45.14
Contribution to provident fund and other welfare funds	127.54	72.04
Gratuity	9.00	26.92
Staff welfare expenses	480.45	104.60
Total employee benefit expenses	**3,358.86**	**2,224.13**

Note 26

Finance costs

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Interest		
Banks	754.58	605.93
Income tax	57.07	13.03
Others	74.60	40.94
	886.25	659.90
Other borrowing cost	70.63	53.77
Exchange rate difference	1.76	16.54
Total finance costs	**958.64**	**730.21**

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Note 27

Depreciation and amortisation expenses

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Depreciation on tangible assets	1,754.91	1,246.05
Depreciation on intangible assets	17.41	20.38
Total depreciation and amortisation	1,772.32	1,266.43

Note 28

Other expenses

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Manufacturing Expenses		
Power & fuel	1,432.39	695.33
Machinery repairs and maintenance	158.67	256.74
Stores and spares	1,225.04	626.49
Other expenses	2,012.82	1,123.33
	4,828.92	2,701.89
Selling and Distribution Expenses		
Sales commission	174.59	152.35
Advertisement and business promotion	835.73	477.51
Export frieght and insurance	4,966.53	1,915.71
Other selling expenses	798.35	522.16
	6,775.20	3,067.73
Administrative and Other Expenses		
Rent	207.72	254.17
Rates & taxes	17.47	3.49
Travelling expenses	412.35	228.92
Postage and telephone expenses	34.82	53.25
Printing & stationery expenses	72.85	59.95
Insurance premiums	83.56	57.13
Building and other repairs	233.87	209.82
Bank discount, commission and other charges	133.11	109.52
Legal and professional fees	359.47	308.11
Payment to auditors	102.51	103.71
Directors sitting fees	18.15	12.40
Corporate social responsibility expenses	57.43	32.81
Donations	2.24	1.94
Bad debts, provision for doubtful advances and other write-offs	44.99	538.28
General expenses	368.53	249.25
	2,149.07	2,222.75
Total other expenses	13,753.19	7,992.37

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1. Amount required to be spent u/s 135(5) of the Companies Act 2013	49.10	29.77
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	57.43	32.81
3. (Excess)/Shortfall at the end of the year	(8.33)	(3.04)
4. Nature of CSR activities	Education, health, wellness, animal welfare.	
5. Details of related party transactions in relation to CSR expenditure to Ashwanilla Charitable Trust	15.73	29.62

Payments to auditors

Audit fees	96.15	97.21
Tax audit fees	2.40	2.30
Other services	3.96	4.20
	102.51	103.71

Note 29

Earning per share

Particulars	2021-2022	2020-2021
Profit for the year (₹ in lacs)	6,476.18	3,912.36
Weighted average number of shares for basic earning per share (Nos)	2,66,94,880	2,66,94,880
Weighted average number of shares for diluted earning per share (Nos)	2,68,43,877	2,66,94,880
Earnings per share (Basic) ₹	24.26	14.66
Earnings per share (Diluted) ₹	24.13	14.66
Face value per share ₹	2.00	2.00

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Note 30

Fair value measurement

Financial instruments by category :

(Indian ₹ in lacs)

Particulars	31st March 2022				31st March 2021			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	10,037.34	10,037.34	-	-	8,302.13	8,302.13
Loans - non-current	-	-	-	-	-	-	-	-
Loans - current	-	-	15.15	15.15			13.23	13.23
Other financial assets - non-current	-	-	157.54	157.54	-	-	122.95	122.95
Other financial assets - current	-	-	1,264.45	1,264.45	-	-	1,732.45	1,732.45
Cash and cash equivalents	-	-	527.65	527.65	-	-	773.53	773.53
Other bank balances	-	-	607.10	607.10	-	-	1,239.55	1,239.55
Total financial assets	-	-	**12,609.23**	**12,609.23**	-	-	**12,183.84**	**12,183.84**
Financial liabilities								
Borrowings								
Long term borrowings	-	-	3,857.80	3,857.80	-	-	2,170.64	2,170.64
Short term borrowings	-	-	9,867.97	9,867.97	-	-	7,958.07	7,958.07
Lease liabilities - non-current	-	-	981.76	981.76	-	-	458.33	458.33
Lease liabilities - current	-	-	295.71	295.71	-	-	97.93	97.93
Trade payables	-	-	7,940.53	7,940.53	-	-	4,177.54	4,177.54
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	322.64	322.64	-	-	324.25	324.25
Total financial liabilities	-	-	**23,266.41**	**23,266.41**	-	-	**15,186.76**	**15,186.76**

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Note 31

Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit Risk

Credit risk referes to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade recivables in accordance with the excepcted credit loss (ECL) policy of the Group. The Group regulary reviews trade receivables and necessary provisions, whenever required , are made in the financial statements.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meed its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forcast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

(Amount in Indian ₹)

Particulars	Less than or equal to one year	more than one year	Total
As on 31st March 2022			
Financial Assets			
Non-current investments	-	-	-
Loans	15.15	-	15.15
Trade receivables	10,037.34	-	10,037.34
Cash and cash equivalents	527.65	-	527.65
Other bank balances	607.10	-	607.10
Other financial assets	1,264.45	157.54	1,421.99
Total financial assets	12,451.69	157.54	12,609.23
Financial Liabilities			
Long term borrowings	-	3,857.80	3,857.80
Short term borrowings	9,867.97	-	9,867.97
Lease liabilities	295.71	981.76	1,277.47
Trade payables	7,940.53	-	7,940.53
Other financial liabilities	322.64	-	322.64
Total financial liabilities	18,426.85	4,839.56	23,266.41

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As on 31st March 2021			
Financial Assets			
Non-current investments	-	-	-
Loans	13.23	-	13.23
Trade receivables	8,302.13	-	8,302.13
Cash and cash equivalents	773.53	-	773.53
Other bank balances	1,239.55	-	1,239.55
Other financial assets	1,732.45	122.95	1,855.40
Total financial assets	12,060.89	122.95	12,183.84
Financial Liabilities			
Long term borrowings	-	2,170.64	2,170.64
Short term borrowings	7,958.07	-	7,958.07
Lease liabilities	97.93	458.33	556.26
Trade payables	4,177.54	-	4,177.54
Other financial liabilities	324.25	-	324.25
Total financial liabilities	12,557.79	2,628.97	15,186.76

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Indian ₹ in lacs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2022	+100	137.26
	-100	(137.26)
March 31, 2021	+100	101.29
	-100	(101.29)

Group's exposure to foreign currency risk at the end of each reporting period is as under:

c) Exposure in foreign currency - Hedged

(In lacs)

Category	31st March 2022	31st March 2021
Option Contract - Buy		
USD/EURO/GBP	214.04	144.81
Option Contract - Sell		
USD/EURO	0.75	4.50

PARK & COMPANY Chartered Accountants

d) Exposure in foreign currency - Unhedged

(In lacs)

Currency	31st March 2022	31st March 2021
USD	57.79	42.15
EURO	25.45	12.78
GBP	11.90	13.02
Payables		
USD	2.32	2.91
EURO	5.87	4.99
GBP	-	-

e) Foreign currency sensitivity

The Group is mainly exposed to changes in USD, GBP and EURO. The below table demostrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the the net unhedged exposure of the Group as at reporting date. 5% reprents management's assessment of reasonably possible change in foreign exchange rate.

(Indian ₹ in lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2022	USD	+5%	210.23
	USD	-5%	(210.23)
March 31, 2021	USD	+5%	148.72
	USD	-5%	(148.72)
March 31, 2022	GBP	+5%	59.40
	GBP	-5%	(59.40)
March 31, 2021	GBP	+5%	65.01
	GBP	-5%	(65.01)
March 31, 2022	EURO	+5%	82.43
	EURO	-5%	(82.43)
March 31, 2021	EURO	+5%	32.80
	EURO	-5%	(32.80)

Note 32

Capital management

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(Indian ₹ in lacs)

Particulars	As at	
	31st March 2022	31st March 2021
Total debts	13,725.77	10,128.71
Total equity	25,369.46	19,141.47
Total debts to equity ratio	0.54	0.53

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Dividends

(Indian ₹ in lacs)

Dividends recognised in the financial statements	31st March 2022	31st March 2021
Interim Dividend of Rs. 1.20 (0.80) per equity share	320.34	213.56
Final dividend ₹ 1.20 (1.20) per equity share	320.34	320.34
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 1.20 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	320.34	320.34

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Note 33

Contingent Liabilities

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
1	In respect of goods and service tax	30.02	-

Note 34

Employee benefits

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in confirmity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. Wherever the Group creates plan assets, it makes contributions to approved gratuity fund.

Funded Scheme - Gratuity

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
	Amount recognised in balance sheet		
	Present value of funded defined benefit obligation	228.84	206.42
	Fair value of plan assets	236.11	166.73
	Net unfunded obligation	(7.27)	39.69
	Expense recognised in the statement of profit and loss		
	Current service cost	25.40	21.48
	Interest on net defined benefit asset	2.75	1.85
	Total expense charged to profit and loss Account	28.15	23.33
	Amount recorded as other comprehensive income		
	Opening amount recognised in OCI outside profit & loss account	42.42	17.92
	Remeasurements during the period due to:		
	Return on plan assets	(8.74)	22.94
	Actual (gain)/loss on obligation for the period	(0.32)	1.56
	Closing amount recognised in OCI outside profit & loss account	33.36	42.42
	Reconciliation of net liability/(asset)		
	Opening net defined benefit liability/(asset)	39.69	26.87
	Expense charged to profit and loss account	28.15	23.33
	Amount recognised outside profit and loss account	(9.06)	24.50
	Benefits paid	-	-
	Employer contributions	(66.05)	(35.01)
	Closing net defined benefit liability/(asset)	(7.27)	39.69
	Movement in benefit obligation		
	Opening of defined benefit obligation	206.42	160.54
	Current service cost	25.40	21.48
	Interest on defined benefit obligation	14.30	10.98
	Acturial loss/(gain) arising from change in financial assumptions	(8.95)	(1.65)
	Benefits directly paid by the employer	-	-
	Benefits paid	(8.54)	(9.53)
	Acturial loss/(gain) on obligation -Due to Experience	0.21	24.60
	Closing of defined benefit obligation	228.84	206.42

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Movement in plan assets

Opening fair value of plan assets	166.73	133.67
Actual return on plan assets excluding interest on plan assets	0.32	(1.56)
Interest income	11.55	9.14
Contributions by employer	66.05	35.01
Benefits paid	(8.54)	(9.53)
Closing of defined benefit obligation	**236.11**	**166.73**

Principal acturial assumptions

Discount Rate	7.35	6.93
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2022	31st March 2021
1	Discount Rate	1% Increase	(19.06)	(17.03)
		1% Decrease	22.37	19.83
2	Salary	1% Increase	21.14	18.67
		1% Decrease	(18.69)	(16.49)
3	Employee Turnover	1% Increase	(0.15)	(0.43)
		1% Decrease	0.08	0.45

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
1	Within the next 12 months (next annual reporting period)	17.51	13.42
2	Between 2 and 5 years	51.97	50.82
3	Beyod 5 years	481.43	387.12

Unfunded Scheme - Gratuity

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
	Amount recognised in balance sheet		
	Present value of funded defined benefit obligation	11.07	8.93
	Fair value of plan assets	-	-
	Net unfunded obligation	**11.07**	**8.93**
	Expense recognised in the statement of profit and loss		
	Current service cost	1.79	1.75
	Interest on net defined benefit asset	0.62	0.63
	Total expense charged to profit and loss Account	**2.41**	**2.38**

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Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	(1.79)	(0.48)
Remeasurements during the period due to:		
Return on plan assets	-	-
Actual (gain)/loss on obligation for the period	(0.27)	(1.31)
Closing amount recognised in OCI outside profit & loss account	**(2.06)**	**(1.79)**

Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	8.93	9.13
Expense charged to profit and loss account	2.41	2.38
Amount recognised outside profit and loss account	(0.27)	(1.31)
Employer contributions		(1.27)
Closing net defined benefit liability/(asset)	**11.07**	**8.93**

Movement in benefit obligation		
Opening of defined benefit obligation	8.93	9.13
Current service cost	1.79	1.75
Interest on defined benefit obligation	0.62	0.63
Acturial loss/(gain) arising from change in financial assumptions	(0.55)	(0.13)
Benefits paid	-	(1.27)
Acturial loss/(gain) on obligation -Due to Experience	0.28	(1.18)
Closing of defined benefit obligation	**11.07**	**8.93**

Principal acturial assumptions		
Discount Rate	7.33	6.95
Salary escalation rate p.a.	7.00	7.00
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significat assumption is as shown below:

(Indian ₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2022	31st March 2021
1	Discount Rate	1% Increase	(1.27)	(1.09)
		1% Decrease	1.52	1.31
2	Salary	1% Increase	1.51	1.30
		1% Decrease	(1.29)	(1.10)
3	Employee Turnover	1% Increase	0.01	(0.03)
		1% Decrease	(0.01)	0.03

The following are the excpted future benefit payments for the defined benefit plan:

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
1	Within the next 12 months (next annual reporting period)	0.21	0.18
2	Between 2 and 5 years	1.14	0.89
3	Beyod 5 years	32.82	26.22

Note 35

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-2022, to the extent the Company has received intimation from the suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due		
1	Principal amount due to micro and small enterprise	1,616.21	1,024.29
2	Interest due on above	-	-

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Note 36

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are gien below:

Sr No.	Particulars	Country of incorporation
	(i) Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
1	Acrycol Minerals Limited	India
2	Ashwanilla Charitable Trust	India
	(ii) Key Managerial Personnel	
3	Mr. Chirag A Parekh	
4	Dr. Sonal V Ambani	
5	Mr. Jagdish K Naik	
6	Mr. Ajit R Sanghavi	
7	Mr. Pradeep H Gohil	
8	Mr Rustam Mulla	
9	Mr. M J Smyth	
10	Mr. Anand H Sharma	
11	Mrs. Neha Podar	
12	Ms. Pooja Ponda (w.e.f. 11th March, 2021)	
	(iii) Relatives of Key Managerial Personnel	
13	Ms. Rhea Chrag Parekh	

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(Indian ₹ in lacs)

Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021
1. Purchase of materials			
Acrycol Minerals Limited	Associates	2,461.17	1,520.47
2. Corporate Social Responsibility			
Ashwanilla Charitable Trust	Associates	15.73	29.62
3. Donations			
Ashwanilla Charitable Trust	Associates	3.00	1.68
Outstanding Balances:			
1. Trade payables			
Acrycol Minerals Limited	Associate	85.69	-
2. Other Current Assets			
Ashwanilla Charitable Trust	Associates	5.47	4.27
Acrycol Minerals Limited	Associate	-	257.95
Key management personnel and relatives			
1. Remuneration			
Mr. Chirag Parekh	Chairman & Managing Director	336.56	200.00
Mr. M J Smyth	Director	145.96	102.38
Mr. Anand Sharma	Chief Financial Officer	42.57	36.77
Mrs Neha Podar	Company Secretary	11.83	10.86
Ms. Pooja Ponda	Company Secretary	4.10	0.24
Ms. Rhea Chirag Parekh	Relative of KMP	4.66	-
Total...		545.68	350.25
3. Loan repaid			
Mr. Chirag Parekh	Chairman & Managing Director	-	40.00
4. Loan taken			
Mr. Chirag Parekh	Chairman & Managing Director	-	40.00

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5. Interest paid			
Mr. Chirag Parekh	Chairman & Managing Director	-	0.84
6. Sitting Fees			
Dr. Sonal Ambani	Independent Director	4.70	3.25
Mr. Jagdish R Naik	Independent Director	3.35	1.85
Mr. Ajit R Sanghavi	Independent Director	3.35	2.30
Mr. Pradeep H Gohil	Independent Director	4.50	3.05
Mr Rustam Mulla	Independent Director	2.25	1.95
Total...		**18.15**	**12.40**
Outstanding Balances: 1. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	0.85	0.85
2. Other advances			
Mrs Neha Podar	Company Secretary	0.25	-

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Note 37

Disclosure in terms of Schedule III of the Companies Act, 2013

(Indian ₹ in lacs)

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
1. Parent								
Acrysil Limited	78.96	20,032.32	79.56	5,152.39	173.40	6.78	79.62	5,159.17
2. Subsidiaries								
Acrysil Steel Limited	9.13	2,316.16	5.10	330.55	(5.12)	0.20	5.10	330.75
Crysil Online Limited	0.43	110.25	0.09	6.08	-	-	0.09	6.08
Sternhagen Bath Private Limited	0.00	0.68	(0.01)	(0.94)	-	-	(0.01)	(0.94)
Acrysil UK Limited	9.68	2,455.04	21.43	1,387.58	-	-	21.41	1,387.58
Acrysil Gmbh	0.77	196.18	1.04	67.40	-	-	1.04	67.40
Acrysil Products Limited	15.01	3,808.55	22.58	1,462.59	-	-	22.57	1,462.59
Add/(Less): Inter-company adjustments	(13.99)	(3,549.72)	(7.61)	(1,929.47)	(78.52)	(3.07)	(29.82)	(1,932.54)
Total...	100.00	25,369.46	100.00	6,476.18	100.00	3.91	100.00	6,480.09

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Note No. 38 Employee share based payments :

During the year ended 31st March, 2022, the Parent Company implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on 3rd May, 2021. The Plan enables grant of stock options to the eligible employees of the Parent Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in agrregate shall not be equal to to exceed 1% of the issued capital of the Parent Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Parent Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a)	**Details of stock options granted:**			
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	**Outstanding options at the beginning of the year**	-	-	-
	Option granted during the year	1,12,500	67,500	45,000
	Options exercised during the year	-	-	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	(13,500)	(8,100)	(5,400)
	Balance at the end of the year	**99,000**	**59,400**	**39,600**
	Weighted average remaining life (years)	-	1	2
b)	**Fair value of stock options granted:**			
	Fair value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:			
1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend yeild (%)	0.34	0.34	0.34
5	Market price at the time of grant of options (₹)	354.86	354.86	354.86

During the year, the Parent Company has recognized expense of ₹ 287.87 lacs previous year: Nil). Expenses in respect of ESOPs granted to the employyes of subsidiaries ₹ 81.95 lacs are recognized as capital contribution to subsidiaries.

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39. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given

a. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.

b. The Group do not have any Benami property, where any proceeding has been intiated or pending against the Group for holding any Benami property.

c. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

d. The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

e. The Group do not have any transactions with struck-off companies.

f. The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g. The Group have compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

h. The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

i. The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

i. 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

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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40 Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.

41 All the amounts are stated in ₹ in lacs, unless otherwise stated.

42 Previous year's figures are regrouped and rearranged, wherever necessaary.

Signatures to Notes 1 to 42

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

ASHISH DAVE
Partner

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

JAGDISH NAIK
Director
DIN: 00030172

ANAND SHARMA
Chief Financial Officer

NEHA PODDAR
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

GENERAL INFORMATION

- Our Company was originally incorporated as "Acrysil (India) Limited" as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 19, 1987 issued by the RoC. Thereafter, our Company's name was changed to "Acrysil Limited" pursuant to a fresh certificate of incorporation consequent on change of name dated November 16, 1998 issued by the RoC. Further, the name of our Company was subsequently changed from Acrysil Limited to "Carysil Limited" pursuant to a certificate of incorporation pursuant to a change of name dated October 26, 2022, issued by the RoC.

- The Equity Shares of our Company are listed on BSE and NSE on May 9, 1989 and January 14, 2021, respectively. The securities of Company were listed on the Ahmedabad Stock Exchange. However, pursuant to the application filed by the Company with the Ahmedabad Stock Exchange, the securities of the Company were delisted from the Ahmedabad Stock Exchange with effect from September 04, 2008.

- Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from each BSE and NSE on July 01, 2024, under Regulation 28(1) of the SEBI Listing Regulations.

- Our Registered is located at A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, India

- The CIN of our Company is L26914MH1987PLC042283

- The website of our Company is www.carysil.com

- The authorised share capital of our Company as on the date of this Placement Document is ₹ ₹ 80,000,000, divided into 40,000,000 equity shares of ₹ 2 each. Our issued, subscribed and paid-up share capital as of the date of this Placement Document is ₹ 5,36,90,510 divided into 26,845,255 Equity Shares of ₹ 2 each.

- The Issue was authorised and approved by the Board pursuant to the resolution dated March 20, 2024 and by our Shareholders' pursuant to the special resolution passed on May 02, 2024.

- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays, Sundays and public holidays) at our Registered Office.

- Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

- There has been no material change in the financial or trading position of our Company since March 31, 2024, the last date of the Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Placement Document, except as disclosed herein.

- Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see section titled "*Legal Proceedings*" on page 180.

- The Issue will not result in a change in control of our Company.

- Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

- The Floor Price is ₹ 837.89 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by our Statutory Auditors. Our Company has offered a discount of 5% on the Floor Price in accordance with the approval of our Board resolution dated March 20, 2024, and the Shareholders' of our Company accorded through a special resolution dated May 02, 2024 and Regulation 176(1) of the SEBI ICDR Regulations.

- Our Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including websites of our Company and our Subsidiaries, would be doing so at their own risk.

- Reena Tejas Shah is the Company Secretary & Compliance Officer of our Company. Her details are as follows:

  Reena Tejas Shah
  A-702, 7th floor, Kanakia Wall Street,
  Chakala, Andheri-Kurla Road,
  Andheri (East), Mumbai-400 093, India
  Telephone: +91- 22- 4190 2000
  E-mail: cs.al@carysil.com

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole and absolute discretion of our Company, in consultation with the BRLM, to Eligible QIBs. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)(1)(2)
1.	Societe Generale- ODI	0.66%
2.	Ohana India Growth Fund	1.11%
3.	Vikasa India EIF I Fund - Incube Global Opportunities	0.09%
4.	Lc Pharos Multi Strategy Fund VCC-LC Pharos Multi Strategy Fund SF 1	0.62%
5.	DSP Small Cap Fund	2.76%
6.	Astorne Capital VCC - Arven	0.18%
7.	Rajasthan Global Securities Private Limited	0.11%

(1) Based on beneficiary position as on June 28, 2024

(2)Subject to receipt of funds and allotment in the Issue

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company’s business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

____

Mr. Chirag Parekh
Chairman and Managing Director

Date: July 03, 2024
Place: Mumbai

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act and the rules made thereunder;

(ii) the compliance with the Companies Act and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

____

Mr. Chirag Parekh
Chairman and Managing Director

Date: July 03, 2024
Place: Mumbai

I am authorized by the Capital Raising Committee, a committee of the Board of the Company, *vide* resolution dated March 20, 2024 to sign this form and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

____

Mr. Chirag Parekh
Chairman and Managing Director

Date: July 03, 2024
Place: Mumbai

CARYSIL LIMITED

CIN: L26914MH1987PLC042283
Registered Office
A-702, 7th floor, Kanakia Wall Street,
Chakala, Andheri-Kurla Road,
Andheri (East), Mumbai-400 093, India
Telephone: +91- 22- 4190 2000
Email: cs.al@carysil.com
Website: www.carysil.com

Contact Person

Reena Tejas Shah
Designation: Company Secretary & Compliance Officer
Address: A-702, 7th floor, Kanakia Wall Street,
Chakala, Andheri-Kurla Road,
Andheri (East), Mumbai-400 093, India
Telephone: +91- 22- 4190 2000
E-mail: cs.al@carysil.com

Book Running Lead Manager

Equirus Capital Private Limited
12th Floor, C Wing, Marathon, Futurex,
N M Joshi Marg Lower Parel,
Mumbai – 400 013,
Maharashtra, India

Statutory Auditors of the Company

P A R K & COMPANY
203–A, Citi Center, Kalanala, Bhavnagar – 364 001

Legal Counsel to the Issue

Desai & Diwanji
Desai & Diwanji
Forbes Building, 4th floor
Charanjit Rai Marg
Fort, Mumbai – 400 001.

Special International Legal Counsel to the BRLM

Duane Morris & Selvam LLP
16 Collyer Quay, #17-00
Singapore 049318

SAMPLE APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

<table>
<tr><td>CARYSIL
GERMAN ENGINEERED

CARYSIL LIMITED

CIN: L26914MH1987PLC042283
Registered Office: A-702, 7th floor, Kanakia Wall Street, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, India
Telephone: +91- 22- 4190 2000;
Email: cs.al@carysil.com ; Website: www.carysil.com
LEI Code: 3358009J3UTR2QVK2133</td><td>Name of Bidder: __________________

Form No: ________________________

Date: ____________________________</td></tr>
</table>

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH BY CARYSIL LIMITED (THE "COMPANY") (THE "EQUITY SHARES") AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI REGULATIONS") AND SECTIONS 42 AND 62(1)(C) OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND THE RULES MADE THEREUNDER (HEREINAFTER REFERRED TO AS THE "ISSUE")

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (ii) hold a valid and existing registration under the applicable laws in India (as applicable); and (c) are eligible to invest in the Issue and submit this Application Form, and (id) are (i) residents in India, or (ii) foreign portfolio investors participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see the section titled "*Selling Restrictions*". The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 161 and 169, respectively, in the accompanying preliminary placement document dated July 01, 2024 (the "PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we are an eligible QIB as defined under Regulation

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and	**AIF**	Alternative Investment Funds**

2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoter of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoter or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI.

	Financial Institutions		
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with Equirus Capital Private Limited (the "**BRLM**"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document (when issued) and the confirmation of allocation note ("**CAN**"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We agree and consent that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and(iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby further represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when issued), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLM, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (10) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (11) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (12) we satisfy any and all relevant suitability standards for investors in Equity Shares; (13) we have the ability to bear the economic risk of our investment in the Equity Shares, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (13) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are only being offered and sold only outside the United States in in "offshore transactions" as defined in, and in reliance on, Regulation S; and (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S).

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

<table>
<tr><th colspan="5">BIDDER DETAILS (in Block Letters)</th></tr>
<tr><td>NAME OF BIDDER*</td><td colspan="4"></td></tr>
<tr><td>NATIONALITY</td><td colspan="4"></td></tr>
<tr><td>REGISTERED ADDRESS</td><td colspan="4"></td></tr>
<tr><td>CITY AND CODE</td><td colspan="4"></td></tr>
<tr><td>COUNTRY</td><td colspan="4"></td></tr>
<tr><td>MOBILE NO.</td><td colspan="4"></td></tr>
<tr><td>TELEPHONE NO.</td><td colspan="2"></td><td>FAX.</td><td></td></tr>
<tr><td>EMAIL</td><td colspan="4"></td></tr>
<tr><td>FOR ELIGIBLE FPIs**</td><td>Registration Number:</td><td colspan="2">For AIFs***/ MFs/ VCFs***/ SI-NBFCs/ ICs</td><td>Registration Number:</td></tr>
<tr><td colspan="5">*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.
**In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.
***Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</td></tr>
</table>

Tick wherever applicable: -

(a) The applicant is not required to obtain Government Approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.

(b) The applicant is required to obtain Government Approval under the Foreign Exchange Management (Non-debt instruments) Rules, 2019 prior to subscription of shares and the same has been obtained and is enclosed herewith.

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLM will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3.00 P.M. (IST), July 03, 2024	
Name of the Account	Carysil Limited-QIP-2024
Name of the Bank	HDFC Bank
Address of the Branch of the Bank	Nanik Motwane Marg Ground Floor, Manekji Wadia Building, Mumbai-400001
Account Type	Escrow Account
Account Number	57500001522707
IFSC	HDFC0000060

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "*CARYSIL LIMITED – QIP-2024*". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS																									
Depository Name (Please ✓)	National Security Depository Limited									Central Depository Services (India) Limited															
Depository Participant Name																									
DP – ID	I	N																							
Beneficiary Account Number										(16 digit beneficiary account. No. to be mentioned above)															
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**																									

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICEPER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)	(In words)		

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED

Attested/ certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of Power of Attorney
- ☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) *Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.*
(2) *The application form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM.*
(3) *The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Manager either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.*

This Application Form and the PPD sent to you are specific to you and you may not distribute or forward the same and the same are subject to the disclaimers and restrictions contained in or accompanying these documents.

Reena Tejas Shah

Digitally signed by Reena Tejas Shah