



**ON  
GROWTH  
TRACK**

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**diversification**

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**globalisation**

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**innovation**

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**expansion**

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**talent acquisition**

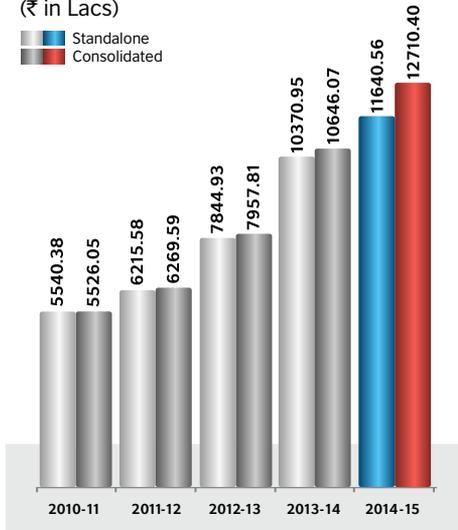


# FINANCIAL HIGHLIGHTS

## Sales Turnover

(₹ in Lacs)

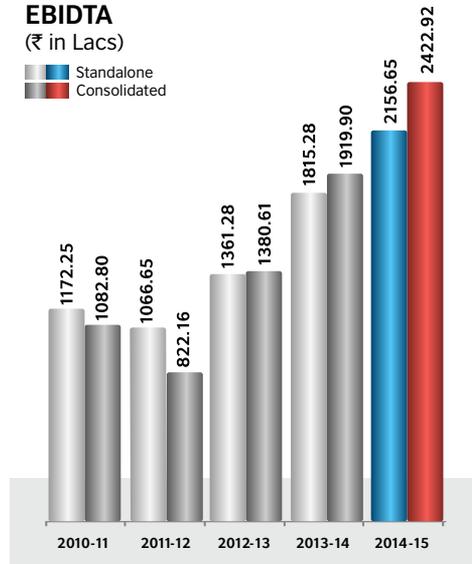
Standalone  
Consolidated



## EBIDTA

(₹ in Lacs)

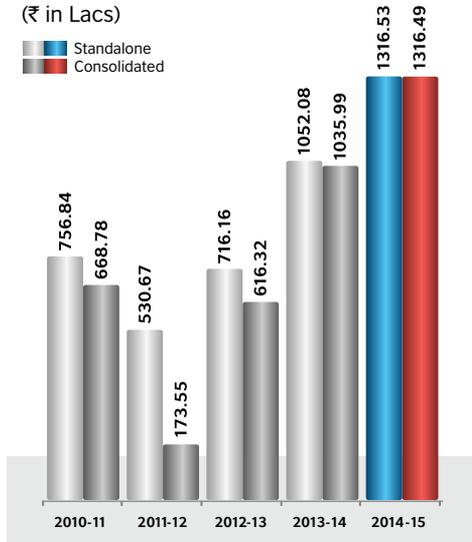
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## Profit Before Tax (PBT)

(₹ in Lacs)

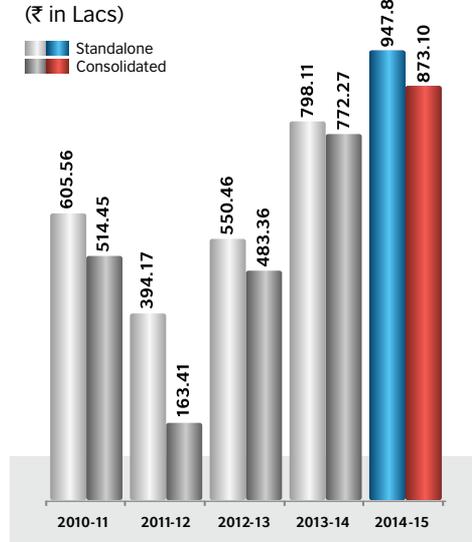
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## Profit After Tax (PAT)

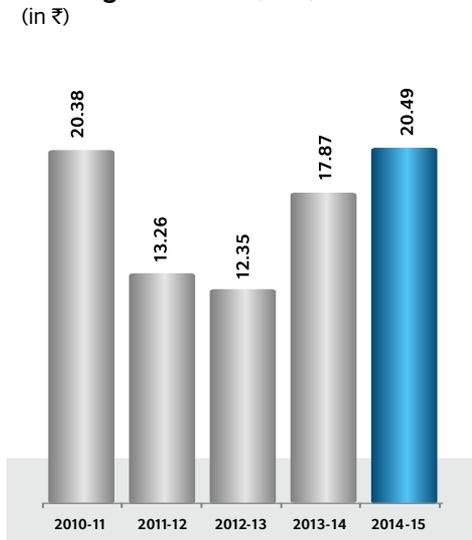
(₹ in Lacs)

Standalone  
Consolidated



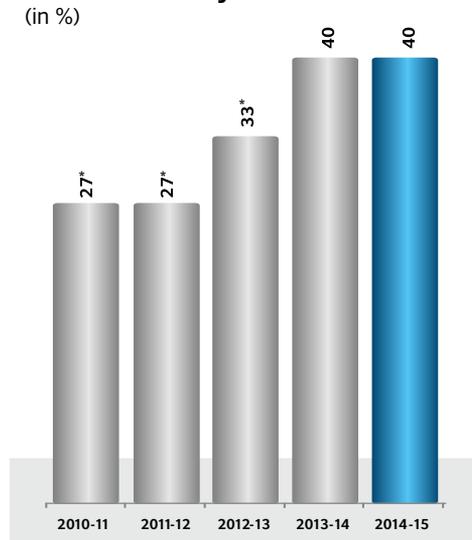
## Earning Per Share (EPS)

(in ₹)



## Dividend History

(in %)



\* Adjusted for Bonus Shares issued in ratio of 1:2 in the year 2012-13

# Contents



Corporate Information .....	2
Message from Chairman Emeritus .....	3
Chairman & Managing Director's Message .....	4
Board of Directors .....	6
Notice to Shareholders .....	12
Directors' Report .....	20
Corporate Governance Report .....	40
Management Discussion & Analysis Report .....	52
<b>Standalone Financial Statements</b>	
Independent Auditors' Report .....	57
Annexure to Auditors' Report .....	59
Balance Sheet .....	60
Statement of Profit & Loss .....	61
Cash Flow Statement .....	62
Notes to Financial Statements .....	63

## Consolidated Financial Statements

Independent Auditors' Report .....	80
Consolidated Balance Sheet .....	84
Statement of Consolidated Profit & Loss .....	85
Consolidated Cash Flow Statement .....	86
Notes to Consolidated Financial Statements .....	87
Salient features of the financial statement of subsidiaries .....	101
Attendance Slip	
Proxy Form	

# Corporate Information

## Chairman Emeritus

Mr. Ashwin M. Parekh

## Board of Directors

	DIN
Mr. Chirag A. Parekh, <i>Chairman &amp; Managing Director</i>	00298807

Mr. Arjun S.Handa, <i>Independent Director</i>	00159413
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Mr. Shyam Mariwala, <i>Independent Director</i>	00350235
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Mr. Jagdish R. Naik, <i>Independent Director</i>	00030172
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Mrs. Shetal C. Parekh, <i>Director</i>	03018222
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Mr. Ajit R. Sanghvi, <i>Independent Director</i>	00340809
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Mr. Pradeep H. Gohil, <i>Independent Director</i>	03022804
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## Company Secretary

Mr. Damodar H. Sejal

## Auditors

Sanghavi & Company  
Chartered Accountants, Bhavnagar

## Registrar & Transfer Agent

M/s Bigshare Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Mumbai-400 072  
Phone: (022) 40430200  
Fax: (022) 28475207  
E-mail: investor@bigshareonline.com

## Bankers

Axis Bank Limited

## Works

Survey No.312,  
Bhavnagar-Rajkot Highway (13th Km.)  
Navagam, Post: Vartej,  
Bhavnagar 364 060, Gujarat (India)  
Phone: (0278) 2540218, 2540893, 2540392, 2540232  
Fax: (0278) 2540558

## Registered Office

704, Centre Point,  
J. B. Nagar,  
Andheri-Kurla Road,  
Andheri (East),  
Mumbai-400 059 (India)  
Phone: (022) 66711101, 66711105  
Fax: (022) 66711109  
CIN: L26914MH1987PLC042283  
www.acrysil.com  
www.acrysilcorporateinfo.com

## Audit Committee

Mr. Ajit R. Sanghvi, Chairman  
Mr. Jagdish R. Naik, Member  
Mr. Chirag A. Parekh, Member  
Mr. Shyam H. Mariwala, Member

## Nomination and Remuneration Committee

Mr. Jagdish R. Naik, Chairman  
Mr. Shyam H. Mariwala, Member  
Mr. Pradeep H. Gohil, Member

## Stakeholders' Relationship Committee

Mr. Ajit R. Sanghvi, Chairman  
Mr. Jagdish R. Naik, Member  
Mr. Chirag A. Parekh, Member

## Corporate Social Responsibility Committee

Mrs. Shetal C. Parekh, Chairman  
Mr. Chirag A. Parekh, Member  
Mr. Pradeep H. Gohil, Member  
Mr. Shyam H. Mariwala, Member

## Message from Chairman Emeritus



Mr. Ashwin Parekh, Chairman Emeritus

It is a source of great gratification to me to look back on our evolution through the years, by which we have attained our present global standing. For me, the greatest satisfaction lies in the fact that not once did we lose our focus as a Company, even in the face of difficult times and serious challenges.

Our focus has been in being innovative and inventive - in design, product development, manufacturing, and even marketing. Our spirit of adventure has paid off handsomely. Today, our position is secure and sustainable, but it is important not to become complacent. There are great opportunities ahead for both organic and inorganic growth, and in the capable hands of Chirag Parekh, I have every confidence that they will be fully realized.

## Chairman & Managing Director's Message

“ Our acquisition of the UK based kitchen products distribution company, is the first major step in our vision of making Acrysil a truly global company. ”

Mr. Chirag Parekh  
Chairman & Managing Director



Dear Shareholders,

Once again, I am happy to report growth accomplished, and growth ahead, in every significant dimension. We have introduced new models, and launched new categories, such as quartz washbasins. We have penetrated into new global markets, such as Finland, Australia, New Zealand, Iran and Jordan. We have installed significantly high additional capacities. We have new technologies at our command, and the fruits of intense research and product development. We have won globally coveted awards, such as the Red Dot and IF design awards. The list goes on.

Beyond all this detail, the overriding story is that we are poised to take the Company to its next level. In this endeavour, our key strength will be our people. We are putting in place talent of the highest calibre – such as, the exceptional people in the team now building our domestic appliances brand. We are giving them the tools and systems they need to be most productive and efficient, such as SAP implementation. We are creating a talent pool and a knowledge base that will elevate the Company, and sustain its growth trajectory.

That's our long-term vision for the future. But first, let's quickly review some of the milestones that we passed in 2014-15.

In terms of aesthetics, we are proud of the two new colours that we created for composite quartz kitchen sinks, named Metallico and Magnolia. And we also now have gold and silver for wash basins.

Our two plants have a combined capacity of 325000 granite kitchen sinks annually, and the floor area has been expanded by 11000 sq ft. We have also added 4000 sq ft to the storage area for finished goods.

Most importantly, we are always innovating and experimenting, and finding new avenues for growth. For example, we are trying out new combinations of ceramic and granite, which may prove to be a winner, a further growth engine. Such constant questing is a sure sign of robust health and vitality.

During the year, we acquired 74% stake in Homestyle Products Ltd., a well established UK based kitchen products distribution company. This is the first major step in our vision of making Acrysil a truly global company. This acquisition would provide us with a ready base in the premium UK market with access to a large network of distributors and retailers.

Obviously we're talking about substantial investment, driven by our confidence - in fact, our certainty - that the years ahead will bring

substantial sustainable growth.

We are already a very serious player in the kitchen segment, and are making a strong push into the bathroom domain. Our public perception has been enhanced through an aggressive presence on TV, and in social media.

Our technology and talent resources are second to none. We have time and again demonstrated our ability to bring winning products to market. Nothing is going to stop us from growing by leaps and bounds.

We have kept up the tempo of our growth at a CAGR of approximately 25% over the past four years. We continued to find acceptance in more and more markets at home and overseas. Looking ahead, we are targeting growth at an accelerated pace and with the initiatives in place so far it would be achievable. I have every confidence that we will triumph in this and more.

I thank you all for supporting and encouraging us in our journey. I would like to express my gratitude towards the Board of Directors whose support and guidance have been invaluable on our path to progress.

Thank you.

**Chirag Parekh**  
Chairman & Managing Director

## Board of Directors



**Mr. Chirag A. Parekh**  
Chairman & Managing Director



**Mr. Arjun S. Handa**  
Independent Director



**Mr. Shyam H. Mariwala**  
Independent Director



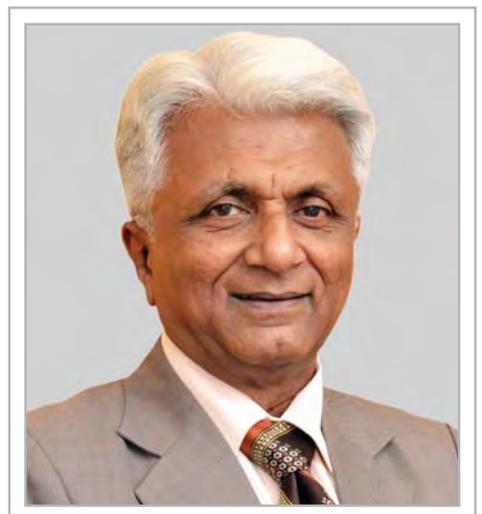
**Mr. Jagdish R. Naik**  
Independent Director



**Mrs. Shetal C. Parekh**  
Director



**Mr. Ajit R. Sanghvi**  
Independent Director



**Mr. Pradeep H. Gohil**  
Independent Director

## The high-end is our high endeavour

**A**crsilyl is the very definition of ultra-premium style and function in kitchen components. Every product is sophisticated in styling, outstanding in operation, matchless in materials, and dependable in durability. And that's how it's known both domestically and in over 40 countries worldwide.

It's a reputation that was born in 1987, when we first began designing and manufacturing kitchen sinks of composite quartz and granite, under the 'Carysilyl' brand.

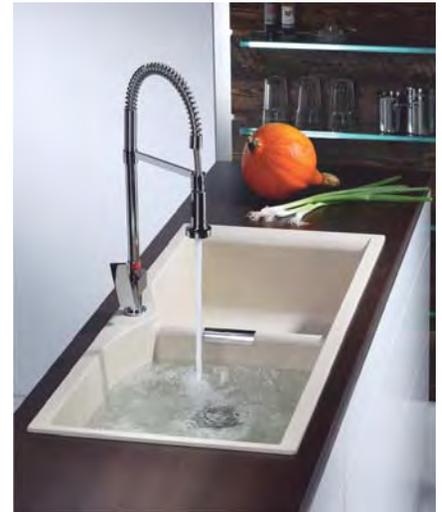
Since then, we've extended the



brand into a range of kitchen fittings, accessories and appliances – including chimneys, faucets, waste disposers, and hobs / cook tops. We've innovated with new materials, such as kitchen sinks first of hybrid steel and granite, and later entirely of stainless steel. And we've invaded new territory - namely bathrooms - beginning with washbasin bowls, and already poised to launch strikingly stylish WC seats and other fittings.



# Distinguished by design, produced with precision



In most kitchens, the sink is a mundane utility, put there to serve a useful function. But if it's a Carysil sink, it's also there to catch one's eye, and impart a delightfully deluxe air to its surroundings. It combines the most contemporary international design values with timeless elegance and glamour. And it never ceases to surprise with new looks and functionalities, as in the 12 new composite quartz models we launched last year.

That's because creative styling is an ongoing activity for us. We're constantly coming up with novelties in finishes, shapes and sizes.

New contours like the numerous wash basin bowls we developed just last year.

New colours like Metallico and Magnolia for kitchen sinks, also introduced last year, along with Sani Q, a smooth new composite material used for sanitary wash basins, as well as 5 models of tiles.

And steel insert moulding, an innovative development in granite sink manufacturing.

And to do justice to both our design and performance standards, we have world-class manufacturing facilities with distinctive technologies. More

importantly, upgradation of technology is an ongoing process at Acrysil. We have introduced sophisticated equipment in our manufacturing line incorporating such new generation technology like robotics. We also have high degree of automation in our production and packaging lines. All to ensure hairline precision in manufacturing and flawless packaging.

This, and so much more, in our ceaseless pursuit of excellent design, excellently executed.

## Products that wow the world...



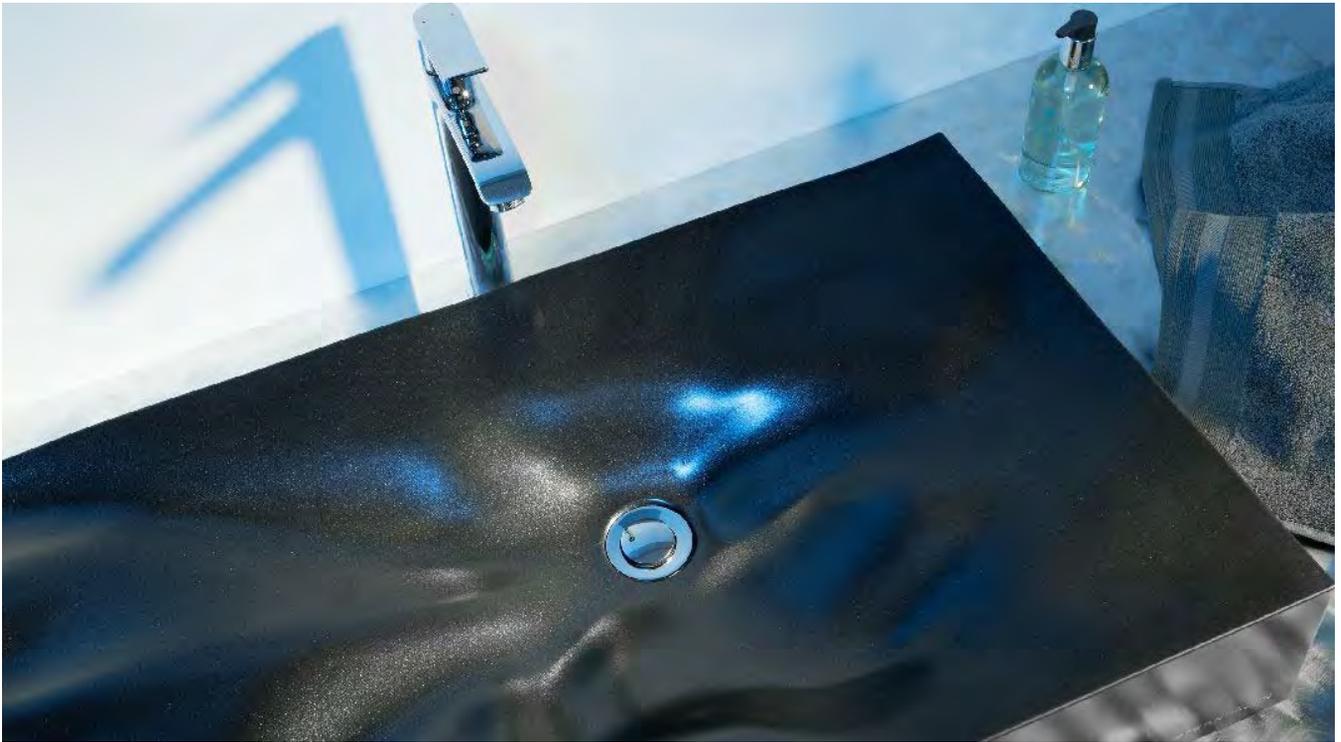
In more than 40 countries, in the most challenging markets, Acrysil's products - under the Carysil brand as well as as third party OEMs - have carved out a premium niche. Discerning clientele succumb to their uniquely superb form and function. Our major markets are USA, France, Russia, Germany, Canada, China, UK - and, most recently, we have added Tunisia, Romania, Finland, Australia and New Zealand.

Acrysil recently acquired Homestyle Products Ltd., a well established kitchen products distribution company in the UK. Homestyle focuses on importing kitchen sinks from manufacturers and supplying to the UK market and this acquisition would set the stage for a major entry of Acrysil products in the premium UK market.

In all these demanding overseas markets, Acrysil products command pride of place as the choice of discerning buyers with an eye for craftsmanship in manufacturing and elegance in design.



...and delight domestic markets.



**A**crysil is top-of-mind in India's fast-growing affluent strata... customers with both the inclination and the means to indulge their refined tastes, and their penchant for outstanding quality.

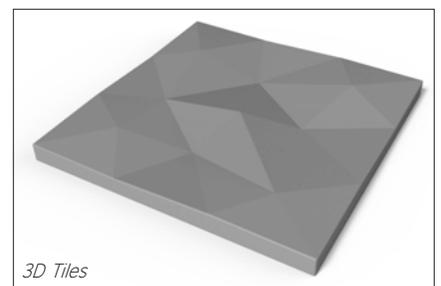
Backed by a strong presence in both TV and social media, Acrysil caters to them through nearly 800 dealers countrywide, and 58 major galleries in India's major metros and towns. Many more gallery openings are planned in the coming years, as well as numerous new launches of appliances and sanitaryware products, among others.

Not just home-owners, but also architects, interior designers, and fabricators of complete modular kitchens who have exceptional regard for Acrysil. They constitute the select few in our niche premium markets, whose numbers grow every day.

We constantly introduce new models in our product lines. This year, we launched 3D tiles for the first time in India and soon, we would be launching our range of 3D Wash Basins.

We grow right alongside, in the range and variety of our offerings, and in the high values and standards that we uphold.

**STERNHAGEN**  
GERMANY



3D Tiles

## NOTICE

NOTICE is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Members of **ACRYSIL LIMITED** ("the Company") will be held at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai - 400 020, Maharashtra, India on Friday, the September 25, 2015 at 3.30 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt
  - a) the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and the Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015, together with the Report of the Auditors' thereon.
2. To declare dividend of ₹ 4 (40%) per share on equity shares of the Company for the financial year ended 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Mrs. Shetal Chirag Parekh (holding DIN 03018222), who retires by rotation and being eligible, offers herself for re-appointment.
4. **Ratification of an appointment of M/s Sanghavi & Co., Chartered Accountants, Bhavnagar (Firm Registration No. 109099W) as Auditors and fixing their remuneration.**

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

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the Annual General Meeting held on 24<sup>th</sup> September, 2014, the appointment of M/s. Sanghavi & Co., Chartered Accountants, Bhavnagar (Firm Registration No. 109099W) as the Statutory Auditor of the Company to hold the office till the conclusion of the Annual General Meeting to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration plus service tax, out-of-pocket and travelling expenses, etc. payable to them for the financial year ending 31<sup>st</sup> March, 2016 as may be determined by the Audit Committee in consultation with the auditors."

**SPECIAL BUSINESS:**

5. **Appointment of Mr. Arjun S. Handa as an Independent Director.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and in pursuant to Article 107 of the Articles of Associations of the Company, Mr. Arjun S. Handa (holding DIN 00159413), who was appointed by the Board of Directors as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company with effect from 25<sup>th</sup> September, 2015 upto 31<sup>st</sup> March, 2020, not liable to retire by rotation."

6. **Ratification of remuneration payable to Cost Auditors for the year 2015-16.**

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

**"RESOLVED THAT** pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) ("the Act") and on the recommendation of the Audit Committee and approval by the Board of Directors at their meeting dated August 14, 2015, the consent of the Company be and is hereby accorded for ratification of the below remuneration to M/s. S.K. Rajani and Co, Cost Accountants (Firm Registration No: 101113) as the Cost Auditors of the Company for the financial year 2015-16:

₹ 60,000/- plus out of pocket expenses & service tax as applicable to conduct the audit of the cost accounting records for all the manufacturing facilities of the Company."

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

7. **Adoption of new Articles of Association of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), , and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting and duly initialled be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

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

**By order of the Board of Directors**

**For ACRYSIL LIMITED**

**Damodar H. Sejpal  
COMPANY SECRETARY**

Mumbai  
August 14, 2015

**Registered Office:**

704, Centre Point, J.B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059.

Tel.: 022-6671 1101/05 • Fax: 022-6671 1109

CIN: L26914MH1987PLC042283

Website: [www.acrysil.com](http://www.acrysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

**IMPORTANT NOTES:**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the business under Item Nos. 4 to 7 of the Notice, is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under Items No. 3 and 5 of the Notice, are also annexed.
3. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. A member registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as his / her proxy unless such other person is also a member of the Company.
5. Members are requested to bring their duly filled Attendance Slip along with their copy of Annual Report at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during business hours (09.30 a.m. to 06.30 p.m.) up to the date of the meeting.
8. (a) The Company has decided to close the Register of Members and the Share Transfer Register from, Saturday, 19th September, 2015 to Friday, 25th September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.  
(b) The dividend on Equity Shares, if declared at the Meeting, will be credited/dispatched between Saturday, 10th October, 2015 and Thursday, 15th October, 2015 to those members whose names shall appear on the Company’s Register of Members or on records of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners as on Friday, September 18, 2015.

9. As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NEFT etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or its Registrars & Transfer Agents (RTA), Bigshare Services Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Bigshare Services Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or its Registrars & Transfer Agents (RTA), Bigshare Services Private Limited.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
12. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
14. Non-Resident Indian Members are requested to inform the RTA, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. TO SUPPORT THE 'GREEN INITIATIVE', MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES SO FAR, ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH THE RTA /DEPOSITORY PARTICIPANT(S) FOR RECEIVING ALL COMMUNICATION INCLUDING ANNUAL REPORT, NOTICES, CIRCULARS, ETC. FROM THE COMPANY ELECTRONICALLY.
16. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the AGM so that the information required may be made available at the AGM.
17. The Company has connectivity from the CDSL & NSDL and Equity Shares of the Company may also be held in the electronic form with any DP with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE482D01016. In case of any query/difficulty in any matter relating thereto may be addressed to the RTA.
18. Trading in the shares of the Company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialised their shares to get their shares dematerialized at the earliest.
19. The members who have not encashed their Dividend Warrants for previous financial years are requested to send the same for revalidation to the Company's RTA. Members wishing to claim dividends for previous financial years, which remain unclaimed, are requested to correspond with the RTA.

Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF).
21. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
22. In compliance with the provisions of section 108 of the Act and the Rules framed there under and Clause 35B of the Listing Agreement, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

The voting period begins on Tuesday, September 22, 2015 at 9.00 A.M. (IST) and ends on Thursday, September 24, 2015 at 5:00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, Sept. 18, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

Click on Shareholders.

Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on along with address of shareholder/notice. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for the relevant ACRYSIL LIMITED on which you choose to vote.

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

### Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

We have appointed Mr. Pradip C. Shah, Partner of P. P. Shah & Co., Practicing Company Secretary, Mumbai as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.

The Results so declared, along with the Scrutinizer's Report, shall be placed on the Company's website viz. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) and on the website of CDSL. The results shall also be forwarded to stock exchange.

Voting rights of the members shall be in proportion to their respective shareholding as on the cut-off date i.e. August 14,2015.

The facility for voting through polling paper shall be made available at the AGM and members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right to vote at the meeting through polling paper.

The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the AGM through ballot paper.

To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

Members may also note that the Notice of the AGM will be available on the Company's website viz.[www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) Physical copies of the aforesaid documents will be available at the registered office for inspection during business hours on working days.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By order of the Board of Directors

Mumbai  
August 14, 2015

**For ACRYLIL LIMITED**  
**Damodar H. Sejpal**  
COMPANY SECRETARY

### Registered Office:

704, Centre Point, J. B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059.

Tel.: 022-6671 1101/05

Fax: 022-6671 1109

CIN: L26914MH1987PLC042283

Website: [www.acrysil.com](http://www.acrysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

## EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

### Item No. 4:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Sanghavi & Co., (ICAI Firm Registration No. 109099W), Chartered Accountants, Bhavnagar were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 24<sup>th</sup> September, 2014.

As per provisions of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by members at every AGM.

Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at item no. 4 of the Notice.

In accordance with Section 139 of the Act, M/s. Sanghavi & Co, Chartered Accountants have certified that they are eligible to be appointed as the Statutory Auditors of the Company and they satisfy the criteria as provided in Section 141 of the Companies Act, 2013.

The relevant certificate is available for inspection of the Shareholders at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during business hours (09.30 a.m. to 06.30 p.m.) up to the date of the meeting.

The Board commends the Resolution at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

### Item No. 5:

The Board of Directors, at its meeting held on 10<sup>th</sup> February, 2015, appointed Mr. Arjun S. Handa as an Additional Director of the Company with effect from 10<sup>th</sup> February, 2015, pursuant to Section 161 of the Companies Act, 2013, read with Article 107 of the Article of Association of the Company.

Pursuant to the provision of Section 161 of the Companies Act, 2013, Mr. Arjun S. Handa will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provision of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Arjun S. Handa for the office of Independent Director, to be appointed as such under the provision of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Arjun S. Handa (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provides in Sub-section (6) of Section 149 of the Companies Act, 2013.

Mr. Arjun S. Handa, aged 36 years, is the Independent Director of our Company. He holds Bachelor of Commerce degree from Gujarat University, Ahmedabad and is a post graduate in Management from Northeastern University, Boston, USA. He was appointed as a director of Claris Life Science Limited on 19<sup>th</sup> February 2001. He was the Chief Operating Officer of Claris Life Science Limited from 01<sup>st</sup> January 2008 to 26 September 2008. He served as the Managing Director and Chief Executive Officer of Claris Life Science Limited since 26<sup>th</sup> September 2008 and was re-designated as a Vice Chairman and Managing Director from 26<sup>th</sup> September 2014. In addition to being involved in strategy development at Claris Life Science Limited, he is responsible there for all the operations across various functions including sales and marketing, manufacturing and supply chain management, project execution, and product development. The services of Mr. Arjun S. Handa have been and will be very useful to the Company.

The resolution seeks the approval of members for the appointment of Mr. Arjun S. Handa as an Independent Director of the Company for a period up to 31<sup>st</sup> March, 2020 pursuant to Section 149 and other applicable provision of the Companies Act, 2013 and Rules made there under. He will not be liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of Mr. Arjun S. Handa as Independent Director to hold office for five consecutive years for a term up to 31<sup>st</sup> March, 2020.

In the opinion of the Board, Mr. Arjun S. Handa, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Arjun S. Handa as an Independent Director setting out the terms and conditions is available for inspection by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No director, key managerial personnel or their relatives, except Mr. Arjun S. Handa, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

**Item No.6:**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. S.K. Rajani & Co., Cost Accountants, to conduct the audit of the Cost records of the Company's Kitchen Sinks manufacturing units at Bhavnagar for the financial year ending March 31, 2016.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016, as set out in the Resolution for the aforesaid services to be rendered by them.

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

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

**Item No.7:**

The existing Articles of Association ("Articles") of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Sections of the Companies Act, 1956. Some regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

With the enactment of the Companies Act, 2013, several regulations of the existing Articles of the Company require alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing Articles by a new set of Articles.

The draft Articles shall be open for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m to 1.00 p.m upto the date of this Annual General Meeting.

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

The Board of Directors recommend the Special Resolution set out at Item No.7 of the Notice for approval by the Members.

By order of the Board of Directors

Mumbai  
August 14, 2015

**For ACRYLIL LIMITED**  
**Damodar H. Sejpal**  
COMPANY SECRETARY

**Registered Office:**

704, Centre Point, J.B. Nagar, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059.  
Tel.: 022-6671 1101/05  
Fax: 022- 6671 1109  
CIN: L26914MH1987PLC042283  
Website: [www.acrysil.com](http://www.acrysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

Particulars	Mr. Arjun S. Handa	Ms. Shetal C. Parekh
DIN	00159413	03018222
Date of Birth	30.09.1979	04.05.1975
Date of Appointment	10.02.2015	12.08.2014
Qualifications	Bachelor of Commerce degree from Gujarat University, Ahmedabad and is a post graduate in Management from Northeastern University, Boston, USA	B.A. Pharma, B.A. in Psychology, M.A. Psychology
Expertise in specific functional areas	He has good experience in sales and marketing, manufacturing and supply chain management, project execution, and product development.	Experience in Freelance Interior sales and marketing, manufacturing Projects as well as event and Supply Chain Management.
Other Directorships	<ol style="list-style-type: none"> <li>1. CLARIS LIFESCENCES LIMITED</li> <li>2. SARJAN FINANCIAL PRIVATE LIMITED</li> <li>3. ACCELARIS TECHNOLOGIES LIMITED</li> <li>4. THE PHARMACEUTICAL FORM-FILL-SEAL ASSOCIATION OF INDIA</li> <li>5. CLARIS HOLDINGS PRIVATE LIMITED</li> <li>6. CLARIS OTSUKA PRIVATE LIMITED</li> <li>7. ATHANAS ENTERPRISE PRIVATE LIMITED</li> <li>8. BELLISSIMO ENTERPRISE PRIVATE LIMITED</li> <li>9. CLARIS INJECTABLES LIMITED</li> <li>10. PRARISHODHANA CONSULTANCY LLP</li> <li>11. AKHILESH VENTURE HOLDINGS LLP</li> <li>12. ELDORO INFRA-TECH LLP</li> <li>13. ZENA INFRABUILD AND MANAGEMENT LLP</li> <li>14. VITALIS INFRATECH LLP</li> </ol>	<ol style="list-style-type: none"> <li>1. ACRYSIL STEEL LIMITED</li> <li>2. STERNHAGEN BATH PRIVATE LIMITED</li> <li>3. ACRYSIL APPLIANCES LIMITED</li> <li>4. ACRYCOL MINERALS LIMITED</li> </ol>
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.	Nil	Nil
Number of shares held in the Company	Nil	1,00,000
Relationship with any Director(s) of the Company	He is not related to any Director or Key Managerial Personnel of the Company.	She is relative of Mr. Chirag A. Parekh, Chairman & Managing Director, Promoter & Mr. Ashwin M. Parekh, Promoter of the Company.

## DIRECTORS' REPORT

To,  
The Members,  
Your Directors have pleasure in presenting their Twenty Eighth Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended March 31, 2015.

### 1. Financial summary/Performance of the Company

The summary of standalone (Company) and consolidated (Company and its subsidiaries) operating results for the financial year under review along with the figures for previous year are as follows:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
1. Net Sales/Income from Operations	11640.56	10370.96	12710.40	10646.07
2. Other Income	112.11	76.62	68.73	64.76
3. Total Income (1+2)	11752.67	10447.58	12779.13	10710.83
4. Total Expenditure	9596.02	8632.31	10356.21	8790.94
5. Operating Profit before Finance Cost, Depreciation, Tax and Minority Interest (3-4)	2156.65	1815.27	2422.92	1919.89
6. Finance Cost	481.04	343.58	679.75	402.21
7. Depreciation	359.07	419.61	426.68	481.70
8. Profit before Tax and Minority Interest (5-6-7)	1316.53	1052.08	1316.49	1035.99
9. Provision for Taxation	368.70	253.98	415.51	262.01
10. Net Profit after Tax and before Minority Interest (8-9)	947.83	798.11	900.98	773.98
11. Minority Interest	-	-	27.88	(1.71)
12. Profit after Tax (10+11)	947.83	798.11	873.10	772.27

Notes: 1 The Previous year figures has been regrouped wherever necessary

### 2. Performance Review

#### • Standalone

Once again, sales are the highest ever. During the current financial year, your Company took various growth initiatives to improve its volumes which helped the Company in posting an impressive performance for the year. Sales turnover for the year was ₹11640.56 Lacs against ₹10370.96 Lacs in the previous year. The net profit for the year was ₹947.83 Lacs compares to ₹798.11 in the previous year.

#### • Consolidated

On the consolidated basis, Sales turnover of your Company for the year was ₹12710.40 Lacs as against ₹10646.07 Lacs in the previous year. The Consolidated Profit before Taxation and Minority was ₹1316.49 Lacs against ₹1035.99 Lacs in the previous year. The Consolidated Profit after Tax and Minority Interest was ₹873.10 Lacs against ₹772.27 Lacs in the previous year.

### 3. Dividend

Your company has a consistent dividend policy of balancing the dual objective of appropriately rewarding shareholders through dividends and retaining capital to maintain a healthy capital adequacy ratio to support future growth. It has a consistent track record of moderate but steady increases and expansions in dividend declarations over its history.

Considering the achievement of targets for the year and growth of the business, Directors are pleased to recommend dividend of 40% (₹4.00 per Equity Share of ₹10/- each) on Equity Shares of ₹10/- for the financial year ended March 31, 2015 subject to approval of shareholders at the ensuing Annual General Meeting.

### 4. Material Changes, Transaction and Commitment/Change in the nature of business, if any

There is no change in the nature of the business of the Company for the year under review.

During the year under review, no significant or material order was passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### 5. Management Discussion and Analysis (MDA)

MDA, for the year under review, is presented in a separate section, which forms part of the Annual Report

### 6. Share Capital

During the year under review, 1,50,000 equity shares of the face value of ₹10/- each were issued and allotted on conversion of

preferential warrants allotted to Promoter Group company. Consequent thereto, total paid up equity share capital of the Company as on 31st March 2015 stands at ₹4,65,80,000 divided into 46,58,000 equity shares of ₹10/- each.

During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

## 7. Transfer to Reserves

The Company proposes to transfer ₹314.35 Lacs to the General Reserves. An amount of ₹721.65 Lacs is proposed to be retained in the Statement of Profit and Loss of standalone financials.

## 8. Subsidiary companies

As on 31<sup>st</sup> March, 2015, the Company has eight subsidiaries, including three subsidiaries overseas, two step down subsidiaries overseas. All the said subsidiaries of the Company remained operational during the year under review. There has been no material change in the nature of the business of the subsidiaries. Financials of subsidiaries are disclosed in the consolidated financial statements, which forms part of this Annual Report. Pursuant to sub-section (3) of section 129 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statements of a Company's subsidiaries in Form AOC-1 is attached to the Accounts.

Pursuant to the provisions of section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

Further, the Annual Accounts and related documents of the subsidiary company shall be kept open for inspection at the Registered Office of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiary.

The following companies have become Company's Subsidiaries, joint ventures or associate companies during the year;

Name of the Company	Relationship with the Company	Details of changes	Date of change
Acrysil UK Limited, UK	Subsidiary	Incorporated	September 26, 2014
Homestyle Products Limited, UK	Step Down Subsidiary	Acquired	November 13, 2014
Acrysil International Limited, Hongkong	Subsidiary	Incorporated	July 30, 2014
Acrysil Shanghai Limited, China	Step Down Subsidiary	Incorporated	February 9, 2015

There were no companies which have ceased to be Company's subsidiaries, joint ventures or associate companies.

## 9. Directors and Key Managerial Personnel

The Board of Directors of the Company is led by the Executive Chairman and comprises six other Directors as on 31st March 2015, including one Chairman and Managing Director, five Independent Directors and one Non-Executive Director (other than Independent Directors).

During the year under review, the members, in their Annual General Meeting held on 24<sup>th</sup> September, 2014, approved the appointments of Mrs. Shetal Chirag Parekh as a non-executive Non-Independent Director who is liable to retire by rotation and of Mr. Shyam H. Mariwala, Mr. Pradeep H. Gohil, Mr. Jagdish R. Naik and Mr. Ajit Sanghvi as Independent Directors who are not liable to retire by rotation.

During the year under review, Mr. Arjun S. Handa was appointed as Additional Director (Independent) on the Board with effect from February 10, 2015. We seek your confirmation for appointment of Mr. Arjun S. Handa as Independent Director for a term upto five consecutive years i.e. from September 25, 2015 to March 31, 2020, on non-rotational basis. Based on disclosures provided by him, he is not disqualified from being appointed as Directors as per section 164 of the Companies Act, 2013.

All the Independent Directors of the Company have furnished declarations that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Listing Agreement with Stock Exchanges.

Mrs. Shetal Chirag Parekh, Non Executive Director, retires by rotation at the forthcoming Annual General Meeting, and being eligible offers herself for re-appointment.

At the Board Meeting held on August 12, 2014, Mr. Chirag A. Parekh, Chairman and Managing Director and Mr. Damodar Sejal, Company Secretary were designated as "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Apart from this, there were no changes in the Directors or Key Managerial Personnel during the year under review.

The brief resumes and other relevant documents of the Directors being appointed / re-appointed are given in the Explanatory Statement to the Notice convening the Annual General Meeting, for your perusal.

### a. Board meetings

During the year, eight Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report which forms part of the Annual Report.

Board meeting dates are finalised in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. A detailed presentation is also made to apprise the Board of important developments in industry, segments, business operations, marketing, products etc.

### b. Independent Director's familiarization Programme

As per requirements under the Listing Agreement, the Company undertook directors' familiarization programme for Independent Directors in order to familiarise them with business model, management structure, product portfolio, Industry overview, manufacturing operations, internal control system and processes, FOREX management, risk management framework, functioning of various divisions, HR Management, CSR activities etc. Details of such familiarization programme is placed on the Company's website at [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) ([http://www.acrysilcorporateinfo.com/public/upload/pdf/9390\\_Familiarisation\\_Programme\\_for\\_Independent\\_directors.pdf](http://www.acrysilcorporateinfo.com/public/upload/pdf/9390_Familiarisation_Programme_for_Independent_directors.pdf)).

### c. Evaluation of Board, Committees and Directors

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors.

Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report which forms part of the Annual Report.

### d. Policy on appointment and remuneration of Directors

The Board, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director as also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The Board has formulated Nomination and Remuneration Policy and the same is uploaded on the Company's website at [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) ([http://www.acrysilcorporateinfo.com/public/upload/pdf/2328\\_Nomination%20&%20Remuneration%20Policy.pdf](http://www.acrysilcorporateinfo.com/public/upload/pdf/2328_Nomination%20&%20Remuneration%20Policy.pdf))

## 10. Auditors

### a. Statutory Auditors

Your Company's statutory auditors, M/s. Sanghavi & Co., Chartered Accountants, Bhavnagar, retire at the conclusion of ensuing Annual General Meeting. Your Company has received a letter from them to the effect that their reappointment, if made, will be in accordance with the provisions of section 139 & 141 of the Act, and are eligible for re-appointment, holding peer review certificate.

Audit Committee and the Board recommend their reappointment.

The remarks as contained in the Auditor's Report read with Notes forming part of the accounts are self-explanatory.

### b. Cost Auditors

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Kitchen Sinks under other manufacturing activity are required to be audited by cost auditors. The Board has on the recommendation of the Audit Committee, appointed M/s. S. K. Rajani & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 2015-16 on a remuneration of ₹60,000/-, subject to ratification by members. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. S. K. Rajani & Co., Cost Accountants is included at Item No. 6 of the Notice convening the Annual General Meeting.

Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

### c. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.P.Shah & Company, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure VI".

The Secretarial Audit Report is self explanatory in nature and do not require any further comments and explanations.

## 11. Internal Control System And Compliance Framework

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Company has appointed M/s. Pramod Shah & Associates as Internal Auditors of the Company. The Audit Committee in

consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such system are adequate and operating effectively.

## **12. Audit committee**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

## **13. The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

There has been no complaint related to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year.

## **14. Risk Management and Policy on Risk Management**

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges.

Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply, Litigation, Information Technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialise.

The Board has formulated Policy on Risk Management and the same is uploaded on the Company's website at [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) (<http://www.acrysilcorporateinfo.com/public/upload/pdf/1902risk-management-policy.pdf>)

## **15. Vigil Mechanism**

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. It is posted on the intranet of the Company. The same is reviewed by the Audit Committee from time to time.

## **16. Related party transactions and Policy on Related Party Transactions**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Details on Related Party Transactions in Form AOC – 2 has been enclosed as **Annexure III**.

The Board has formulated Policy on Related Party Transactions and the same is uploaded on the Company's website at [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) (<http://www.acrysilcorporateinfo.com/public/upload/pdf/5203related-party-transcation-policy.pdf>).

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than sitting fees and commission payable to them.

## **17. Managerial Remuneration and Particulars of Employees**

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and statement of particulars of employees is annexed as **Annexure IV**.

## **18. Insurance**

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc. and other risks which are considered necessary by the management. In addition to this coverage, a statutory Public Liability Insurance Policy has been taken to cover the company for providing against the Public liability arising out of Industrial accidents for employees working in plants.

## **19. Loans, Guarantees Or Investments**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

## **20. Corporate Social Responsibility (CSR)**

Pursuant to the provisions of Section 135 of the Act, read with CSR Rules, the Company has constituted CSR committee and formulated CSR policy. During the year, the Company undertook several initiatives under the CSR program. The details of CSR policy and CSR activities undertaken during the year are annexed herewith as **Annexure II**.

## 21. Deposits

Your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

## 22. Extract of the Annual Return

The extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure I**.

## 23. Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm:

- a. that in the preparation of the annual accounts for the year ended 31st March 2015, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b. that the directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2015 and of the profit of the Company for that period;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts/financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 24. Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo

The information relating to Conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134 of the Act, read with the Companies (Accounts) Rules, 2014 is given as **Annexure VII** and forms part of this report.

## 25. Corporate Governance

As required by Clause 49 of the Listing Agreement, a separate Report on Corporate Governance forms part of the Annual Report. The report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, forms part of this report.

## 26. Human Resource

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building programs are conducted to enhance employee skills, motivation as also to foster team spirit. Company also conducts in-house training programs to develop leadership as well as technical/functional capabilities in order to meet future talent requirements. Industrial relations were cordial throughout the year.

## 27. Disclosures under Section 134(3)(l) of the Companies Act, 2013

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

## 28. Gratitude & Acknowledgments

Your Directors place on record their earnest appreciation for the unstinted commitment, dedication, hard work and significant contribution made by employees across the globe in ensuring sustained growth of the Company.

Your Directors also sincerely thanks all the stakeholders, business partners, government, other statutory bodies, banks, financial institutions, analysts and shareholders for their continued assistance, co-operation and support.

**For and on behalf of the Board of Directors**

**Mumbai**  
**August 14, 2015**

**Chirag A. Parekh**  
(DIN: 00298807)  
Chairman & Managing Director

### Registered Office:

704, Centre Point, J. B. Nagar, Andheri-Kurla Road,  
Andheri (East), Mumbai - 400 059 (India)  
Phone: (022) 66711101, 66711105 • Fax: (022) 66711109  
CIN: L26914MH1987PLC042283  
www.acrysilcorporateinfo.com  
www.acrysil.com

## ANNEXURE INDEX

Annexure	Content	Annexure	Content
I.	Annual Return Extracts in MGT 9	V.	Companies which became/ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies
II.	Report on Corporate Social Responsibility	VI.	Secretarial Audit Report in MR-3
III.	Related Party Transactions disclosure in AOC – 2	VII.	Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo
IV.	Managerial Remuneration and Particulars of Employees		

## Annexure I FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS

1.	CIN	L26914MH1987PLC042283
2.	Registration Date	19/01/1987
3.	Name of the Company	ACRYSIL LIMITED
4.	Category/Sub-category of the Company	Public Company limited by Shares
5.	Address of the Registered office & contact details	704, Centre Point, J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. Ph.: 022-6671 1101/022- 6671 1105
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Pvt. Ltd.E-2/3, Ansa Industrial Estate, Sakivihar Road, Mumbai-400 072 Phone: (022) 40430200Fax: (022) 28475207

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Quartz Kitchen Sinks	22209	85%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	ACRYSIL STEEL LIMITED 704, Centre Point, Andheri-Kurla Road, J.B. Nagar, Andheri (East), Mumbai – 400 059	U28910MH2010PLC202493	Subsidiary	93.84%	2(87)
2.	STERNHAGEN BATH PRIVATE LIMITED 704, Centre Point, Andheri-Kurla Road, J.B. Nagar, Andheri (East), Mumbai – 400 059	U25200MH2011PTC212405	Subsidiary	84.90%	2(87)
3.	ACRYSIL APPLAINCES LIMITED 704, Centre Point, Andheri-Kurla Road, J.B. Nagar, Andheri (East), Mumbai – 400 059	U51101MH2013PLC241702	Subsidiary	100%	2(87)
4.	ACRYSIL GmbH, Darmstaedter-Landstrasse 125D-60598 Frankfurt/Main (Germany)	N.A.	Subsidiary	100%	2(87)
5.	ACRYSIL UK LIMITED 3 Martins Court, West Street, Congleton, Cheshire CW12 1JR, United Kingdom	N.A.	Subsidiary	100%	2(87)
6.	HOMESTYLE PRODUCTS LIMITED 3 Martins Court, West Street, Congleton, Cheshire CW12 1JR, United Kingdom	N.A.	Subsidiary	Step Down Subsidiary	2(87)
7.	ACRYSIL INTERNATIONAL LIMITED RM 20A, Kiu Fu Comm Bldg 300, Lockhart RD WAN CHAI, HONGKONG	N.A.	Subsidiary	90%	2(87)
8.	ACRYSIL SHANGHAI LIMITED RM20A, Kiu Fu Comm Bldg 300, Lockhart RD WAN CHAI, HONGKONG	N.A.	Subsidiary	Step Down Subsidiary	2(87)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. CATEGORY-WISE SHARE HOLDING

Category of Shareholders		No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
(1)	Indian									
a)	Individual/HUF	2126350	0	2126350	47.1684	2201350	0	2201350	47.2596	0.0912
b)	Central/State Government(s)	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
e)	Any other (Specify)									
	(i) Directors/Relatives	0	0	0	0	0	0	0	0	0
	(ii) Group Companies	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A)(1) :</b>	2126350		2126350	47.1684	2201350	0	2201350	47.2596	0.0912
(2)	Foreign									
a)	Individual	0	0	0	0	0	0	0	0	0
b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
c)	Institutions	0	0	0	0	0	0	0	0	0
d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e)	Any others (Specify)	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A)(2):</b>	0	0	0	0	0	00	0	0	0
	<b>Total shareholding of Promoters and Promoters Group (A) =(A)(1) + (A)(2)</b>	2126350	0	2126350	47.1684	2201350	0	2201350	47.2596	0.0912
<b>B.</b>	<b>Public Shareholding</b>									
1.	Institutions									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Financial Institutions/Banks	0	150	150	0.0033	0	150	150	0.0032	0.0001
c)	Central Government	0	75	75	0.0017	0	75	75	0.0016	0.0001
d)	State Government (s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FII's	0	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i)	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
j)	Any others (specify)	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):</b>	0	225	225	0.0050	0	2	225	0.0048	0.0002
2.	Non-Institutions									
a)	Bodies Corporate									
i)	Indian	45359	12282	57641	1.2786	249975	12282	262257	5.6302	4.3516
ii)	Overseas	0	0	0	0	0	0	0	0	0
b)	Individual									
i)	Individual shareholder holding nominal share Capital upto ₹ 1 Lakh	839620	354624	1194244	26.4917	829072	336875	1165947	25.0311	1.4606
i)	Individual shareholder holding nominal share Capital excess of ₹ 1 Lakh	236607	59208	295815	6.5620	210542	42258	252800	5.4272	1.1348
c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
d)	Any others (Specify)	0	0	0	0	0	0	0	0	0
i)	Trusts	0	0	0	0	252	0	252	0.0054	0.0054
ii)	Clearing Member	5641	0	5641	0.1251	5636	0	5636	0.1210	0.0041
iii)	Directors/Relatives	6204	0	6204	0.1376	3204	0	3204	0.0688	0.0688
iv)	Employee	0	0	0	0	0	0	0	0	0
v)	Non Resident Indians (NRI)	360466	9014	369480	8.1961	304915	9014	313929	6.7396	1.4565
vi)	Overseas Bodies Corporates	0	452400	452400	10.0355	0	452400	452400	9.7124	0
vii)	Unclaimed Suspense Account	0	0	0	0	0	0	0	0	0
	<b>Sub Total (B) (2):</b>	1493897	887528	2381425	52.8266	1603596	852829	2456425	52.7356	0.091
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	1493897	887753	2381650	52.8316	1603596	853054	2456650	52.7404	0.0912
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	3620247	887753	4508000	100.00	3804946	853054	4658000	100.00	0

**ii. SHAREHOLDING OF PROMOTERS**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Chirag Parekh	1414902	31.39	0	1339902	28.77	0	(2.621)
2	Chirag Parekh	321044	7.12	0	321044	6.89	0	(0.229)
3	Pushpa R. Parekh	146952	3.26	0	146952	3.15	0	(0.105)
4	Shetal C Parekh	100000	2.22	0	100000	2.15	0	(0.071)
5	Jatin R. Parekh	56250	1.25	0	56250	1.21	0	(0.040)
6	Acrycol Minerals Limited	51352	1.14	0	201352	4.32	0	(3.184)
7	Jatin R. Parekh	27600	0.61	0	27600	0.59	0	(0.020)
8	Mala M Sanghrajka	7500	0.17	0	7500	0.16	0	(0.005)
9	Ashwin M Parekh	750	0.02	0	750	0.02	0	(0.001)

**iii. CHANGE IN PROMOTERS' SHAREHOLDING** (please specify, if there is no change)

Sl No.	Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Chirag Parekh	1735946	38.51	1735946	37.27
	Less: Market Sale on September 9, 2014	(60000)	(1.33)	1675946	35.98
	Less: Market Sale on December 16, 2014	(15000)	(0.33)	1660946	35.66
2	Acrycol Minerals Limited	51352	1.14	51352	1.10
	Add: Conversion of warrants into equity shares on May 26, 2014	100000	2.22	151352	3.25
	Add: Conversion of warrants into equity shares on August 12, 2014	50000	1.11	201352	4.32

**iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	For Each of the Top 10 Shareholders*	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Schock and Co GmbH	452400	10.04	452400	9.71
2.	Piyush Vrajlal Mehta	295350	6.55	246932	5.30
3.	Dinero Wealth Advisors Private Limited	0	0	138544	2.97
4.	Ojas Consulting Private Limited	0	0	43692	0.94
5.	Siddhartha Labhshankar Dave	45000	1.00	40000	0.86
6.	Siddharth Iyer	0	0	35000	0.75
7.	S. Shyam	0	0	24923	0.54
8.	Ashish Nemani HUF	0	0	22700	0.49
9.	Chirayush Pravin Vakil	22014	0.49	18719	0.40
10	Ajit Chamanlal Sukhija	18000	0.40	18000	0.39

\*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

**v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sl No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>DIRECTORS</b>					
1.	Mr. Chirag A. Parekh, Chairman & Managing Director	17,35,946	38.51	17,35,946	38.51
	Less: Market Sale on September 9, 2014	(60,000)	(1.33)	16,75,946	37.18
	Less: Market Sale on December 16,2014	(15,000)	(0.33)	16,60,946	36.85
2.	Mrs. Shetal C. Parekh, Director	1,00,000	2.22	1,00,000	2.22
3.	Mr. Jagdish R. Naik, Independent Director	3,204	0.07	3,204	0.07
4.	Mr. Ajit R. Sanghvi, Independent Director	0	0.00	0	0.00
5.	Mr. Shyam H. Mariwala, Independent Director	0	0.00	0	0.00
6.	Mr. Pradeep H. Gohil, Independent Director	0	0.00	0	0.00
7.	Mr. Arjun S. Handa, Independent Director	0	0.00	0	0.00
<b>KMP</b>					
8.	Mr. Damodar H. Sejpal, Company Secretary	0	0.00	0	0.00
	Add: Market Purchase on September 17,2014	1	0.00	1	0.00

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	24,50,70,123	4,18,20,000	30,71,661	28,99,61,784
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	2,60,85,08,516	4,50,00,000	33,00,000	2,65,68,08,516
* Reduction	2,40,43,73,337	95,75,000	50,000	2,41,39,98,337
Net Change	20,41,35,179	3,54,25,000	32,50,000	24,28,10,179
Indebtedness at the end of the financial year				
i) Principal Amount	44,92,05,302	7,72,45,000	63,21,661	53,27,71,963
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Mr. Chirag A. Parekh, Chairman & Managing Director

Sl. No.	Particulars of Remuneration	Mr. Chirag A. Parekh, Chairman & Managing Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72,00,000/-	72,00,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify		
	Contribution to PF & FPF	864000/-	864000/-
	Contribution to Super Annuation Fund	10,80,000/-	10,80,000/-
	Contribution to EDLI	1108/-	1108/-
	Total (A)	91,45,108/-	91,45,108/-
	Ceiling as per the Act	It is within ceiling limit prescribed under Companies Act, 2013	

\* Does not include premium for group personal accident and group mediclaim policy

Note -1 : As recommended by Nomination and Remuneration Committee and decided by the Board of Directors

### B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Independent Directors	Mr. Jagdish R. Naik	Mr. Ajit R. Sanghvi	Mr. Shyam H. Mariwala	Mr. Pradeep Gohil	Mr. Arjun S. Handa	
1	Fee for attending board/ committee meetings	-	1,75,000/-	1,95,000/-	1,15,000/-	1,70,000/-	20,000/-	6,75,000/-
	Commission	-	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	-	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	-	<b>1,75,000/-</b>	<b>1,95,000/-</b>	<b>1,15,000/-</b>	<b>1,70,000/-</b>	<b>20,000/-</b>	<b>6,75,000/-</b>
2	Other Non-Executive Directors	Mrs. Shetal C. Parekh	-	-	-	-	-	-
	Fee for attending board/ committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>Nil</b>	<b>1,75,000/-</b>	<b>1,95,000/-</b>	<b>1,15,000/-</b>	<b>1,70,000/-</b>	<b>20,000/-</b>	<b>6,75,000/-</b>
	Total Managerial Remuneration							<b>78,75,000/-</b>
	Overall Ceiling as per the Act							It is within ceiling limit prescribed under Companies Act, 2013

## C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,76,168/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	45,000/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission	Nil
	- as % of profit	Nil
	others, specify...	Nil
5	Others, please specify	Nil
	<b>Total</b>	<b>9,21,168/-</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

**Annexure - II**  
**REPORT ON CSR**

- (1) A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs. CSR policy is appended and is also posted on the website of the Company at [www.acrysilcorporateinfo.com/pdf/CSR\\_Poilcy.pdf#toolbar=0&navpanes=0](http://www.acrysilcorporateinfo.com/pdf/CSR_Poilcy.pdf#toolbar=0&navpanes=0)
- (2) Composition of CSR Committee:  
Mrs. Shetal C. Parekh - Chairman  
Mr. Chirag A. Parekh - Member  
Mr. Shyam H. Mariwala - Member  
Mr. Pradeep H. Gohil - Member
- (3) Average net profit of the Company for last three financial years: ₹ 5.08 Crore
- (4) Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): The Company is required to spend ₹10.17 Lacs towards CSR.
- (5) Details of CSR spent during the financial year:  
(a) Total amount to be spent for the financial year: ₹ 10.17 Lacs  
(b) Amount unspent, if any: None  
(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity identified	Sector in which project is covered	Projects or Programs (1)	Amount Outlay (Budget) project or programs wise	Amount spent on the project or programs	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
			Sub Heads		Sub Heads		
			(1) Local area or others (2) Specify the State and Districts where projects or programs was undertaken		(1) Direct Expenditure on projects or programs (2) Overheads		
1	Rotary-Acrysil Child Educare Project	Education	Bhavnagar, Gujarat	11,61,825	11,61,825	Agency (See Note 2)	
	<b>Total Spend</b>				<b>11,61,825</b>		

**Notes:**

- No overheads are included in the amount spent.
  - More than 2% of the average Profit Before Tax(PBT) for the last three years(2011-12, 2012-'13 and 2013-'14) has been spent as per the CSR Policy of Acrysil Limited. A major amount of this was given to the 45 years old trust of Rotary Club( Society) of Bhavnagar for education and care of extremely poor children in their "Ray of Hope Child Educare Project". Children who are living in slums and not going to a school are identified by ladies of Rotary, brought to the Rotary Service Center every evening, except Sundays and holidays, given food and taught basic lessons from 5 to 7 pm. The company has also paid for carrying out Polio immunization amongst children below 5 years age who have not been given the vaccine drops earlier.
- (6) The Corporate Social Responsibility Committee of the Company hereby confirms that the implementation & monitoring of CSR policy, is in compliance with CSR objectives & policy of the Company.

**Chirag A. Parekh**  
(DIN: 00298807)  
Chairman & Managing Director

**Shetal C. Parekh**  
(DIN: 03018222)  
Chairman of the Corporate  
Social Responsibility Committee

## CSR POLICY

(Approved by the Board of Directors on July 14, 2015)

Our aim is to be one of the most respected companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society and to implement balanced and sustainable CSR Programs in the geographic vicinity of the company's operations at Bhavnagar through optimal and prudent use of resources in only one or more of the following areas:

1. Promoting literacy, preferably functional literacy, directly or indirectly, by associating with at least 3 year old registered charitable trust, which would enhance educational opportunities for the poor, offer scholarships to those who cannot afford education and grant interest free loans for job oriented courses.
2. Providing financial and other assistance to start a new life to the victims of a natural disaster or calamity in India as and when it occurs.
3. Assisting in the prevention of diseases by vaccination, promoting better hygiene and sanitation, improved maternal health, dealing with anemic ladies and spreading awareness of proper dietary habits.
4. Adopting a nearby village, conducting continuous surveys of needs of people living there, helping them to satisfy those needs and to do all that is necessary in partnership with them to improve the quality of their life.
5. Attempting to eradicate extreme poverty and hunger in the adopted village by providing some employment and food to the needy.
6. Giving financial assistance to community work in the urban areas of Bhavnagar.
7. To assist the poor people, particularly those from the adopted village, with medical aid and life saving drugs at any hospital in India.

**Annexure - III**  
**FORM NO. AOC -2**

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

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts/arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date(s) of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

Name (s) of the related party & nature of relationship	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount in (₹)
Acrysil Steel Limited	Subsidiary	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	26.05.2014	1,34,18,865
Acrycol Minerals Limited	Associate	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	26.05.2014	1,31,49,900
Acrysil GmbH	Subsidiary	Sales of Goods and Services	Ongoing	As per Transfer pricing guidelines	26.05.2014	3,30,160
Acrysil Steel Limited	Subsidiary	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	12.08.2014	1,29,67,966
Acrycol Minerals Limited	Associate and Services	Purchase of Goods	Ongoing	As per Transfer pricing guidelines	12.08.2014	2,36,74,770
Acrysil GmbH	Subsidiary	Commission Paid	Ongoing	As per Transfer pricing guidelines	12.08.2014	9,27,506
Acrysil Steel Limited	Subsidiary	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	24.09.2014	94,96,619
Acrycol Minerals Limited	Associate and Services	Purchase of Goods	Ongoing	As per Transfer pricing guidelines	24.09.2014	16,65,735
Acrysil GmbH	Subsidiary	Commission Paid	Ongoing	As per Transfer pricing guidelines	24.09.2014	17,13,643
Acrysil Steel Limited	Subsidiary and Services	Purchase of Goods	Ongoing	As per Transfer pricing guidelines	24.09.2014	6,56,94,579
Acrycol Minerals Limited	Associate	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	24.09.2014	4,01,29,679
Acrysil GmbH	Subsidiary	Commission Paid	Ongoing	As per Transfer pricing guidelines	24.09.2014	25,80,788
Acrysil Steel Limited	Subsidiary and Services	Purchase of Goods	Ongoing	As per Transfer pricing guidelines	13.11.2014	2,01,12,188
Acrycol Minerals Limited	Associate	Purchase of Goods and Services	Ongoing	As per Transfer pricing guidelines	13.11.2014	1,70,27,361

**For and on behalf of the Board of Directors**

**Chirag A. Parekh**  
(DIN: 00298807)  
Chairman & Managing Director

## Annexure - IV

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2014-15 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.

Sr. No.	Name of Director/KMP and its Designation	Remuneration Director/KMP for the Financial Year 2014-15	Percentage increase/decrease in remuneration in the Financial year 2014-15	Median Remuneration Per Annum	Ratio (Remuneration of Director to Median Remuneration)	Remarks
1	Mr. Chirag A. Parekh, <i>Chairman &amp; Managing Director</i>	91.45	Nil	2.00	45.51	—
2	Mrs. Shetal C. Parekh, <i>Director</i>	Nil	Nil	2.00	N.A.	—
3	Mr. Jagdish R. Naik, <i>Independent Director</i>	1.75	55.56	2.00	0.87	Only Sitting Fees is paid.
4	Mr. Ajit R. Sanghvi, <i>Independent Director</i>	1.95	77.27	2.00	0.97	Only Sitting Fees is paid.
5	Mr. Shyam H. Mariwala, <i>Independent Director</i>	1.15	53.33	2.00	0.57	Only Sitting Fees is paid.
6	Mr. Pradeep Gohil, <i>Independent Director</i>	1.70	126.67	2.00	0.85	Only Sitting Fees is paid.
7	Mr. Arjun S. Handa *, <i>Independent Director</i>	0.20	Nil*	2.00	0.10	Only Sitting Fees is paid.
8	Mr. Damodar H. Sejpal, <i>Company Secretary</i>	9.21	Nil	2.00	4.58	—

\* appointed as an Additional Director w.e.f. February 10, 2015.

Remuneration for the Executive Directors the table above is based on Cost to Company (CTC).

- iii. The Median Remuneration of Employees (MRE) of the Company is ₹ 2.00 Lacs for the Financial Year 2014-15. The MRE for the year increased by 16.94% compared to ₹1.72 Lacs during the previous financial year.
- iv. The number of permanent employees on the rolls of the Company is 202 for the year ended March 31, 2015.
- v. Sales and Operating Income for the year ended March 31, 2015 increased by 12.24% and Profit before Tax was increased by 25.14% as compared to the previous year. Average increase in employees' remuneration was 14.5%. Overall increase in remuneration is in line with the performance of the Company.
- vi. The remuneration of the Key Managerial Personnel (KMP) of the Company and the percentage increase in the remuneration of KMP during 2014-15 is as given in (i) and (ii) above. The performance of the Company is as state in (v) above.
- vii. The Market Capitalization as on, March 31, 2015 was 25,409.39 Lacs as compared to 10,776.37 Lacs as on March 31, 2014. Price Earnings Ratio of the Company increased to 26.62 as on March 31, 2015 as against 13.38 as on March 31, 2014.
- viii. Average percentile increase made in the salaries of employees other than the managerial personnel in the last Financial Year was 14.5%. Managerial Remuneration was not increased during the year under consideration. The increase in remuneration is determined based on the performance by the employees of the Company.
- ix. The remuneration of each of the Key Managerial Personnel is given in (i) and (ii) above. The performance of the Company, in comparison, is as stated in (v) above.
- x. There is no variable component in remuneration of Directors of the Company.
- xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - None.
- xii. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

**Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received [Amount in Lacs.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1	2	3	4	5	6	7	8	9
1.	Mr. Chirag A. Parekh	Chairman & Managing Directors	91.45	BBA – European University – Switzerland	23	46	02.11.2002	Till date

**Notes;**

- All appointments are/were non-contractual
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund. Remuneration on Cash basis
- None of the above employees is related to any Director of the Company employed for part of the financial year.

**For and on behalf of the Board of Directors**

**Chirag A. Parekh**

(DIN: 00298807)

Chairman & Managing Director

Mumbai, August 14, 2015

### Annexure - VI

**Companies which became/ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies:**
**1. Companies which have become subsidiaries during the financial year 2014-15:**

Sr. No.	Name of Company
1.	Acrysil UK Limited, UK
2.	Homestyle Products Limited, UK
3.	Acrysil International Limited, Hongkong
4.	Acrysil Shanghai Limited, China

**2. Companies which ceased to be subsidiaries during the financial year 2014-15:**

Sr. No.	Name of Company
1.	-

**3. Companies has become/ceased to be a joint venture or associate during the financial year 2014-15.**

Sr. No.	Name of Company
1.	-

Annexure-VI

**SECRETARIAL AUDIT REPORT**

**FORM NO. MR-3**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Acrysil Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Acrysil Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not Notified, hence not applicable to the Company during the Audit Period)**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following qualifications:

**A. Appointment of Chief Financial Officer:**

As per section 203(1)(ii) & (iii), the Company is required to appoint Chief Financial Officer. *The Company has not appointed Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company is in the process of appointing Chief Financial Officer

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has passed following special/ordinary resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Increase in borrowing limits under Section 180 (1) (c) and consequent resolution to sell/lease or otherwise dispose off or create Charge/Mortgage on the Assets of the Company under Section 180 (1) (a) of the Companies Act, 2013.

**I further report that** during the audit period, there were instances of:

2. Conversion of 2,00,000 convertible warrants into 2,00,000 equity shares. Out of which 50,000 Warrants has been converted into 50,000 equity shares of ₹ 10/- each in previous year and 1,00,000 warrants has been converted into 1,00,000 equity shares of ₹ 10/- each on 26<sup>th</sup> May, 2014 and remaining 50,000 warrants has been converted into 50,000 equity shares of ₹ 10/- each on 12<sup>th</sup> August, 2014.

**I further report that** during the audit period, there were no instances of:

1. Public/Right of shares/debentures/sweat equity, etc.
2. Redemption/buy-back of securities
3. Major decisions taken by the members except in pursuance of resolutions passed under Section 180 (1) (b) and Section 180 (1) (d) of the Companies Act, 2013
4. Merger/amalgamation/reconstruction, etc.
5. Foreign technical collaborations

**Place :** Mumbai

**Date :** August 14, 2015

Signature:  
**For P. P. Shah & Co.,**  
Practicing Company Secretaries  
Pradip Shah  
FCS No. 1483 C P No.: 436

## Annexure-VII

**Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo****A. Conservation of Energy**

The operations of the Company are not energy intensive. However, conservation measures have already been taken up wherever applicable. Disclosure of particulars with respect to conservation of energy in Form 'A' is not applicable.

**B. Research and Development**

R & D continues to be the key driver for sustained growth of the Company. The Company continued to pursue its research and development efforts in the areas of product concept development, raw material usage and product quality improvement to attain global benchmarks.

**1. Specific areas in which R & D is carried out by the company :-**

- (a) Continuous innovation in product design and quality.
- (b) Design and development of special products as per evolving technical standards in the industry as well as specific to the requirement of certain export market.
- (c) Innovate and improve process capability, attain global benchmarks with carried out by the Company consistent focus on the operational excellence to cater export market.
- (d) Analytical steps to improve the efficiency and productivity by adopt innovative and emerging technologies as future growth drivers and improvement of existing products.
- (e) Development/Improvement of productivity from all angles including optimizing raw material waste and development of innovative products are on-going activities.
- (f) Explore the possibilities to bring automation in process for improving the productivity and reducing the cost.
- (f) There were certain key advances made in the development of new product such as new models of wash basin during the year 2014-15. These developments will be helpful to the Company to develop offshore markets for long term.
- (g) By continuous efforts, the Company successfully developed new raw material i.e. Sani-Q (Sanitary Quartz) for manufacturing wash basin.

**2. Benefits derived as a result of the above efforts :-**

- (a) Customer satisfaction with quality, productivity, innovative and cost effective products & packaging in competitive market.
- (b) Enhanced flexibility and agile manufacturing keeping abreast of the changing of the above R&D needs of customers, launching of new products including line extensions of existing products which were developed by using in-house R & D capabilities, marked improvement in productivity and overall operating efficiencies besides consistency/stability in products.
- (c) Leveraging the core technological expertise that the Company has acquired over the years in order to stimulate demand by developing and offering innovative quality new products.
- (d) Alignment of products meeting enhanced applications by modifying technical specifications and manufacturing processes.
- (e) Precise machining by automation and better quality of products.
- (f) Certification in EN ISO 9001: 2000, ISO 14001:2004 OHSAS, BIS - 18001:2007 for Environment, Health and Safety Policy & BSCI (Business Social Compliance Initiatives) – Code of Conduct:

**3. Future Plan of Action :**

- (a) To introduce new designs and varieties of products with latest technology.
- (b) To continuation of the ongoing efforts to be globally competitive and excel in the core business activities.
- (c) To update technology, innovation and renovation of products and design capabilities and quality as per advancement and competitiveness observed from the Global market.

**4. Expenditure on R & D for the year 2014-2015**

(a) Capital	NIL
(b) Recurring	8,15,783
(c) Total	8,15,783
(d) Total R & D expenditure as a Percentage of Total Turnover	0.07%

## **Technology absorption and research & development**

- 1) Research and Development
- 2) Technology absorption, adoption and innovation
  - (a) Efforts in brief made towards technology absorption, adoption and innovation:
    - The Company absorbs and adapts the technologies on a continuous basis to meet its specific product needs from time to time.
    - Technology support to all overseas subsidiaries to improve efficiency and enable business growth.
    - Up gradation of existing product and processes to save cycle time, energy consumption and overall operational efficiency.
    - Analyzing feedback from end users to improve quality of products.
    - Constant efforts are made to improve and upgrade the new technology for higher productivity, better quality & cost reduction.
    - Improve the quality of the product and upgrade the Manufacturing Process of all the products of the Company.
    - Development of process of improving its quality control methods and testing facilities.
    - Constant monitoring of process and technology up gradation taking place in advance countries and to offer similar products through in-house R & D as well as through progressive manufacturing activities.
    - Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.
  - (b) Benefits derived as a result of above efforts.
    - Development of value-added products, improvement quality and cost optimization efforts surely translate into a competitive edge in the market place overall impacting brand of the company.
    - Embraced innovation and R&D based excellence for productivity and new market development, upgraded technologies and production processes, the efficiency of supply chain, creation of new products and line extensions of some of the existing products.
    - Integration of human and technical resources to enhance workforce performance and satisfaction.
    - Initiatives on lean practices by implementing Goal Setting and training to workmen.
    - Improvement and reduction in changeover time.
    - Improved product quality and outputs.
  - (c) Technology imported during the last 5 years.

The company has not imported any technology during the last 5 years.

## **C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

1. Information on activities relating to exports, initiatives taken to increase exports, etc. are covered in the Management Discussion and Analysis in this annual report.
2. Total foreign exchange used and earned
  - Earnings in foreign currency – ₹82.40 Crores previous year ₹73.99 Crores.
  - Outgo in foreign currency – ₹33.93 Crores previous year ₹38.74 Crores.

**For and on behalf of the Board of Directors**

**Chirag A. Parekh**  
(DIN: 00298807)  
Chairman & Managing Director

Mumbai, August 14, 2015

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Acrysil Limited is committed to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organisational values, credo and actions of its employees. Transparency and accountability are the fundamental principles to sound Corporate Governance, which ensures that the organisation is managed and monitored in a responsible manner for 'creating and sharing value'.

Acrysil Limited believes that there is a need to view Corporate Governance as more than just regulatory requirements as there exists a fundamental link with the organisation of business, corporate responsibility and shareholder wealth maximisation. Therefore, your Company is articulating a multi-stakeholder model (including shareholder value) of accountability that will manage the symbolic relationship between the various stakeholders. This approach will be central to the day-to-day functioning of your Company and in implementation of its business strategy.

The Company has implemented the mandatory requirements of the Code of Corporate Governance as mentioned in Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-à-vis the Stock Exchange Listing Agreement is presented below.

### 2. VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has adopted the Whistle Blower Policy pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further the mechanism adopted by the Company encourages the employees and Directors of the Company to report genuine concerns or grievances and provides for adequate safeguards against victimisation of employees and directors who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The details of complaints received and the action taken are reviewed periodically by the Audit Committee. None of the Company's personnel have been denied access to the Audit Committee.

### 3. BOARD OF DIRECTORS

The Board comprises of Seven Directors as on March 31, 2015 of which Six are Non-Executive Directors (85% of the Board strength) and five are Independent Non-Executive Directors (71% of the Board strength), with diverse experience in different areas. The Company does not have any Nominee Director appointed by Financial Institutions.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership/chairmanship in committees of other companies. The particulars of composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also the numbers of directorships/memberships of committees of other companies are as under:

Name	Category	No. of Board Meetings attended during 2014-15	Attendance at last AGM	No. of other directorships in other public companies incorporated in India <sup>#</sup>	No. of other Board Committee	
					Membership	Chairmanship
Mr. Chirag A. Parekh	Promoter - Executive <i>Chairman &amp; Managing Director</i>	7	YES	3	NIL	NIL
Mr. Jagdish R. Naik	Independent-Non-Executive	6	YES	7	5	NIL
Mr. Ajit R. Sanghvi	Independent-Non-Executive	6	YES	0	NIL	NIL
Mr. Rustam Mulla @	Independent-Non-Executive	N.A.	YES	0	NIL	NIL
Mr. Pradeep H. Gohil	Independent-Non-Executive	8	YES	0	NIL	NIL
Mr. Shyam H. Mariwala	Independent-Non-Executive	4	YES	0	NIL	NIL
Mrs. Shetal C. Parekh@@	Promoter Non-Executive	5	YES	3	NIL	NIL
Mr. Arjun S. Handa \$	Independent-Non-Executive	1	N.A.	3	4	NIL

Notes:

# These numbers exclude the directorship/committee membership held in the company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship. Further, it includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee. All Directors have informed the Company about the committee positions they occupy in other companies as per Clause 49 of the Listing Agreement, which were placed before the Board.

@ resigned from Directorship w.e.f. April 25, 2014

@@ appointed as an Additional Director w.e.f. August 12, 2014.

\$ appointed as an Additional Director w.e.f. February 10, 2015.

The Company held 8 meetings of its Board of Directors during the year on the following dates. The maximum time gap between any two consecutive meetings did not exceed 120 days.

May 26, 2014	August 12, 2014	September 24, 2014	November 10, 2014
November 13, 2014	February 10, 2015	February 25, 2015	March 30, 2015

Except Mr. Chirag Parekh and Mrs. Shetal Parekh being relatives, none of the other Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013.

Mrs. Shetal Parekh is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered herself for re-appointment. Relevant details pertaining to Mrs. Shetal Parekh is provided in the Notice of the Annual General Meeting (AGM).

Mr. Arjun S. Handa was recommended by the Board in its meeting on August 14, 2015 to be appointed as an Independent Director of the Company at the AGM of the Company scheduled to be held on September 25, 2015 for a term upto five consecutive years i.e. from September 25, 2015 to March 31, 2020, on non-rotational basis.

All Independent Non-Executive Directors of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, which were placed before the Board.

During the financial year, the five Independent Directors of the Company met on March 30, 2015 under the chairmanship of Mr. Ajit Sanghvi, Independent Directors without the presence of non-independent directors or management personnel to review the performance of Non-Independent Directors, the Board and its Chairman. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board. The terms and conditions of appointment of Independent Directors are incorporated on the website of the Company [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com).

#### 4. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2015

Statement showing number of equity shares of the company held by the Non Executive Directors as on 31<sup>st</sup> March, 2015:

Sr. No.	Name of Director	No. of Shares held
1.	Mr. Jagdish R. Naik	3,204
2.	Mr. Ajit R. Sanghvi	Nil
3.	Mr. Pradeep H. Gohil	Nil
4.	Mr. Shyam H. Mariwala	Nil
5.	Mrs. Shetal C. Parekh	100,000
6.	Mr. Arjun S. Handa	Nil

#### 5. AUDIT COMMITTEE

In accordance with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Board of Directors has constituted an Audit Committee. The constitution of the Committee is also in compliance with the provisions of Section 177 of the Companies Act, 2013.

The company has an Audit Committee at the Board level, with the powers and roles in accordance with the requirements of the Clause 49 of the Listing Agreement and the Companies Act, 2013.

The principal terms of reference of the Audit Committee as approved by the Board and as revised/updated from time to time by the Board are to supervise the Company's reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors, Internal Auditors and Cost Auditors and fixation of their remuneration, to approve the appointment of the

Chief Financial Officer, to review and discuss with the Auditors about the adequacy of internal control systems, the scope of Audit including the observations of the Auditors, major accounting policies, practices and entries, compliances with Accounting Standards and Listing Agreement(s) with the Stock Exchange(s) and other legal requirements concerning financial statements and related party transactions, to review the Company's financial and risk management policies, Management Discussion and Analysis of financial condition and results of operations, the financial statements of the Company's Subsidiaries and discuss with Internal Auditors any significant findings for follow-up thereon and to review the Quarterly and Annual Financial Statements before they are submitted to the Board of Directors.

The Board has at their meeting held on May 26, 2014 reviewed and revised the existing terms of reference of the Committee, in view of changes made in the provisions of the Companies Act, 2013 and Listing Agreement. The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken on record.

The Company has complied with the requirements of Clause 49(III) (A) of the Listing Agreements as regards the composition of the Audit Committee.

Details of the composition of the Audit Committee of the Company and the attendance of the Members at the same are summarized below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings Attended
Mr. Ajit R. Sanghvi, Chairman	Independent-Non-Executive	5	5
Mr. Jagdish R. Naik	Independent-Non-Executive	5	4
Mr. Shyam H. Mariwala #	Independent-Non-Executive	5	2
Mr. Rustam Mulla @	Independent-Non-Executive	5	0
Mr. Chirag A. Parekh @@	Promoter - Executive	5	5

# appointed as Member w.e.f. September 24, 2014 as reconstitution of Audit Committee.

@ ceased to be Member due to resignation from Directorship of the Company w.e.f. April 25, 2014

@@ appointed as Member w.e.f. May 26, 2014 as reconstitution of Audit Committee

Mr. Damodar H. Sejpal, Company Secretary of the Company, acted as the Secretary to the Committee.

The Company held 5 meetings of its Audit Committee during the year on the following dates.

May 26, 2014	August 12, 2014	February 10, 2015
September 24, 2014	November 10, 2014	-

Audit Committee Meetings are also attended by senior finance and accounts executives, as and when required. Statutory Auditors, Internal Auditors and Cost Auditors of the Company are also invited to the meetings, as and when required.

The Chairman of the Committee attended the last Annual General Meeting of the Company.

## 6. NOMINATION AND REMUNERATION COMMITTEE

### Terms of reference and composition

The Board of Directors has at their meeting held on May 26, 2014 reviewed and revised the existing terms of reference of the Committee, in view of promulgation of the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The company has an Nomination and Remuneration Committee at the Board level, with the powers and roles in accordance with the requirements of the Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

The composition of Committee as well as the particulars of attendance at the Nomination and Remuneration Committee Meetings during the year under review are as follows:

Name of Director & Designation	Category of Directorship	No. of meetings held during the tenure	No. of Meetings attended
Mr. Jagdish R. Naik, Chairman	Non-Executive & independent	3	3
Mr. Rustam Mulla, @	Non-Executive & independent	3	0
Mr. Shyam H. Mariwala*	Non-Executive & independent	3	3
Mr. Pradeep H. Gohil**	Non-Executive & independent	3	3

@ ceased to be Chairman due to resignation from Directorship of the Company w.e.f. April 25, 2014

\* appointed as Member w.e.f. May 26, 2014 as reconstitution of Nomination and Remuneration Committee

\*\* appointed as Member w.e.f. May 26, 2014 as reconstitution of Nomination and Remuneration Committee

The 'Nomination and Remuneration Committee' of the Company recommends the nomination of Executive Directors (members of the Board) as well as Non-Executive Directors and remuneration of such Executive Directors and Non-Executive Directors [other than Independent Non-Executive Directors] and recommend and monitor the level and structure of remuneration of senior management of the Company as per the Nomination and Remuneration Policy.

## Remuneration of Directors

Independent Non-Executive Directors are paid sitting fees for meetings of Directors and Committees of Directors.

The Company pays remuneration to its Chairman & Managing Director by way of salary, commission, perquisites and allowances. Salary is paid to Chairman & Managing Director within the limit as approved by the Central Government (till March 31, 2014).

Further referred to circular No. 32/2014 dated July 23, 2014 issued by the MCA, stating that the resolutions approved or passed by companies under applicable provisions of the Companies Act, 1956 (old Act) during the period from September 1, 2013 to March 31, 2014 can be considered subject to the condition that the implementation of the resolution actually commenced before April 1, 2014 and that the application made by the Company and the resolution submitted there under were passed during September 1, 2013 to March 31, 2014 under the provisions of Companies Act, 1956 (the old Act). In respect of the application made by the Company for payment of remuneration to Mr. Chirag A. Parekh for the period November 1, 2013 to October 31, 2016 u/s. 269, 198, 309 of the Companies Act, 1956, and in order to be compliant with the Companies Act, 2013 the Company accorded consent of approval of the shareholders by way of passing special resolution through postal ballot on December 24, 2014 and applied to Central government on March 13, 2015.

The Board, on the recommendations of the Remuneration Committee, approved annual increments to the Chairman & Managing Director. Commission payable to the Chairman & Managing Director calculated having regard to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to the overall ceiling as stipulated in Sections 197 of the Companies Act, 2013. Independent Non-Executive Directors are not paid any commission.

Given below are the details of remuneration of Directors for the financial year 2014-15.

Director	Sitting fees for Board/Committee Meetings (₹)	Salaries and other perquisites (₹)	Other Remuneration (₹)	Commission (₹)	Total (₹)
Mr. Chirag A. Parekh <i>Chairman &amp; Managing Director</i>	Nil	91,45,108/- (includes exempted perquisites ₹ 19,45,108/-)	Nil	Nil	<b>91,45,108/-</b>
Mrs. Shetal C. Parekh@	Nil	Nil	Nil	Nil	<b>Nil</b>
Mr. Jagdish R. Naik	1,75,000/-	Nil	Nil	Nil	<b>1,75,000/-</b>
Mr. Ajit R. Sanghvi	1,95,000/-	Nil	Nil	Nil	<b>1,95,000/-</b>
Mr. Rustam Mulla@@	Nil	Nil	Nil	Nil	<b>Nil</b>
Mr. Pradeep H. Gohil	1,70,000/-	Nil	Nil	Nil	<b>1,70,000/-</b>
Mr. Shyam H. Mariwala	1,15,000/-	Nil	Nil	Nil	<b>1,15,000/-</b>
Mr. Arjun S. Handa #	20,000/-	Nil	Nil	Nil	<b>20,000/-</b>

@ appointed as an Additional Director w.e.f. August 12, 2014

@@ resigned from Directorship w.e.f. April 25, 2014

# appointed as an additional director w.e.f. February 10, 2015

- The terms of appointment of Chairman & Managing Director is governed by the resolutions of the shareholders and applicable rules of the Company.
- Severance compensation is payable to the Chairman & Managing Director if their employment is terminated before the contractual period, subject to the provisions and limitations specified in Section 191 and 202 of the Companies Act, 2013.

### Remuneration policy

The Board, on the recommendation of the Nomination & Remuneration Committee, will formulate criteria for determining Qualifications, Positive Attributes and Independence of a Director as also a Policy for remuneration of Directors, Key managerial Personnel and senior management.

### Performance evaluation of Directors

Pursuant to the provisions of Companies Act, 2013 and Listing Agreement, the Board has carried out the annual performance evaluation for the financial Year under review of performances of the Directors individually as well as the evaluation of the working of its Board and their Committees.

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination & remuneration Committee.

The broad criteria followed for evaluation of performance of Directors includes aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency. The performance evaluation of the Managing Director and Whole-Time Directors was based on business achievements of the company.

## 7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders Relationship Committee to look into the investors' complaints and to redress the same expeditiously.

Stakeholders Relationship Committee (Shareholders'/Investors' Grievance Committee) reconstituted as per Section 178 of the Companies Act, 2013 by change of nomenclature of Shareholders Grievances Committee read with Clause 49 of listing Agreement at the Meeting of Board of Directors held on May 26, 2014. The Board, at their above meeting, has also reviewed and revised the existing terms of reference of the Committee, in view of changes made in the provisions of the Companies Act, 2013 by extending the scope of its function relating to review, consideration & resolution of Grievances, so as to include all security holders of the Company. Accordingly, the Stakeholder Relationship Committee, as a sub-committee of the Board will, inter alia, review and resolve grievances of shareholders / security holders / other investors ("stakeholders").

The Company held 4 meetings of its Stakeholders Relationship Committee during the year on the following dates.

May 26, 2014	August 12, 2014
November 10, 2014	February 10, 2015

Details of the composition of the Stakeholders Relationship Committee of the Company and the attendance of the Members at the same are summarised below:

Name of Director	No. of Meeting held	No. of Meeting attended
Mr. Ajit R. Sanghvi, Chairman	4	4
Mr. Chirag A. Parekh	4	4
Mr. Jagdish R. Naik	4	3

Mr. Damodar Sejpal, Company Secretary of the Company, acts as the Secretary of the Committee and is also designated as the Compliance Officer.

During the year, 28 complaints were received from investors, all of which were replied / resolved. There are no pending complaints as on March 31, 2015.

## 8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board at its meeting held on March 13, 2014 has constituted a Corporate Social Responsibility (CSR) Committee consisting of majority of Independent Directors.

The composition of the CSR Committee as approved by the Board is as follows:

Mr. Chirag A. Parekh	Promoter – Executive Director
Mrs. Shetal C. Parekh#	Promoter – Non Executive Director
Mr. Pradeep H. Gohil	Independent Non-Executive Director
Mr. Shyam H. Mariwala	Independent Non-Executive Director

# appointed as member of CSR Committee w.e.f. May 23, 2015.

Mrs. Shetal C. Parekh was elected as Chairman of the CSR Committee by the Members of the Committee at its meeting held on June 12, 2015

The terms of reference of the Committee includes formulation and recommendation to the Board of Director, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; to recommend the amount of expenditure to be incurred on CSR activities as indicated in the CSR Policy; monitor the CSR Policy of the Company from time to time; institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company; and perform any other function or duty as stipulated by the Companies Act, Securities and Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as may be prescribed from time to time.

## 9. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in order to regulate, monitor and control trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code.

## 10. INDEPENDENT DIRECTORS MEETING

With reference to the Schedule IV of the Companies Act, 2013 one meeting of the Independent Directors was held on March 30, 2015. All the Independent Directors have attended the meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors and the Board as whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 11. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors at the time of their appointment are given the formal appointment letter mentioning various terms and conditions of their engagement. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment.

Independent Directors have visited the plants of the company for understanding of manufacturing operations and different processes of their plants.

The Board of Directors have complete access to the information within the company and to interact with senior management personnel. Independent Directors have freedom to interact with the management of the company.

The Familiarization programme has been conducted during the year under review and different aspects such as legal compliance management, corporate governance and role of independent directors has been covered in the same.

## 12. GENERAL MEETINGS

### Location and time of the last three Annual General Meetings

Year	Location	Day/Date	Time	No. of Special Resolutions
2011-12	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400 020	Saturday, September 15, 2012	3.30 P.M.	0
2012-13	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400 020	Saturday, September 26, 2013	3.30 P.M.	3
2013-14	“Rama Watumal Auditorium”, C/o 124, Kishanchand Chellaram College Building, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020	Wednesday, September 24, 2014	3.00 P.M.	2

### Location and time of Extra-Ordinary General Meeting

Year	Location	Day/Date	Time	No. of Special Resolutions
2012-13	Peninsula Grand Hotel, Near Saki Naka Junction, Andheri - Ghatkopar Link Road, Andheri (East), Mumbai - 400 072	Monday, June 24, 2013	3.30 P.M.	1
2013-14	No Extra Ordinary General Meeting held during the year.			
2014-15	No Extra Ordinary General Meeting held during the year.			

### Postal Ballot

During the year, the Company had sought approval from the shareholders for following matters by passing special resolutions. The Company had also provided e-voting facility for the postal ballot. The Company had appointed Mr. Pradip C. Shah, Practicing Company Secretary to act as Scrutinizer for the entire Postal Ballot process. The result of the same was as under:

Sr. No.	Particulars	Resolution No.1	Resolution No.2	Resolution No.3	Resolution No.4
1.	Type of Resolution	Special	Special	Special	Special
2.	Subject matter of the Resolution	Ratification, confirmation and approval for the payment of remuneration to Mr. Chirag A.Parekh, Chairman & Managing Director:	Approval for related party transactions with M/s Acrysil Steel Limited:	Approval for related party transactions with M/s Acrysil GmbH, Germany.	Approval for related party transactions with M/s. Acrycol Minerals Limited
3.	Votes cast in favour	5,59,185	5,59,185	5,59,431	5,59,431
4.	Votes cast against	1426	1346	1180	1180
5.	Votes in favour as percentage of total votes	99.75	99.75	99.79	99.79

The procedures prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 were duly followed for conducting the postal ballot process during the year for approving the resolutions mentioned above.

All of the aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

At present there is no proposal to pass any resolution through postal ballot.

## 13. DISCLOSURES

### Related Party Transactions

Pursuant to Clause 49 of the Listing Agreement and applicable provisions of the Companies Act, 2013, the Company has formulated Related Party Policy for dealing with Related Party transactions. Transactions with every Related Party were entered as per the provisions of the law and the Related Party Policy. A copy of the Related Party Policy for dealing with Related Party transactions is available on the website of the Company i.e. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

The Company has also formulated Policy on determining material Subsidiaries as required under Clause 49 of the Listing Agreements. A copy of the policy on determining material Subsidiaries is available on the website of the Company i.e. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

Transactions with related parties are disclosed in detail in Note 31 annexed to the financial statements for the year. All the Related Party transactions are duly approved by Audit Committee/Board as required under the provisions of the Companies Act, 2013 and Listing Agreement, as well as the Related Party Policy of the Company. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

### The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There has been no complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year.

### Statutory Compliance, Penalties and Strictures

The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

### Code of Business Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Senior Management Personnel of the Company have submitted their affirmation on compliance with the Code of Business Conduct for the effective period. The declaration by the Chairman & Managing Director to that effect forms part of this report as Annexure 1.

### CEO/CFO Certification

Dy. General Manager (Commercial) of the Company gives annual certification on financial reporting controls to the Board of Director in terms of Clause 49 of the Listing Agreement. The Dy. General Manager (Commercial) also gives quarterly certification on financial results while placing the financial results before the Board of Directors in terms of Clause 41 of the Listing Agreement.

### Mandatory & Non-Mandatory Clauses

The Company has complied with all the mandatory requirements laid down by the Clause 49 of the Listing Agreement. The non-mandatory requirements complied with has been disclosed at the relevant places.

The Company has formulated a Vigil Mechanism (Whistle Blower Policy) duly approved by the Board of Directors in terms of Section 177(9) of the Companies Act, 2013 read with Clause 49 of listing Agreement at the Meeting of Board of Directors held on May 26, 2014 and the same provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the Company's employees have been denied access to the Audit Committee.

The Company has formulated a Risk Management Policy duly approved by the Board of Directors in terms of Section 177 of the Companies Act, 2013 read with Clause 49 of listing Agreement at the Meeting of Board of Directors held on May 26, 2014.

### MEANS OF COMMUNICATION

- The unaudited quarterly and summarised audited annual results of the Company are generally published in the dailies published from Mumbai viz. Economic Times (English) and Navshakti (Marathi).
- In line with last year, the Company plans to send the soft copies of Annual-Report 2014-15 to those shareholders whose email ids are registered with the Depository Participants (DPs) and/or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in the Corporate Governance", an initiative taken by the Ministry of Corporate Affairs (MCA).
- Management Discussion and Analysis forms part of the Annual Report.

#### 14. GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting**

The 28<sup>th</sup> Annual General Meeting of the Members will be held on Friday, the September 25, 2015 at 3.30 p.m.

- Venue:** Rama Watumull Auditorium” C/O 124, Kishanchand Chellaram College Building, Dinshaw Wachha Road, Churchgate, Mumbai – 400020.

- Tentative Financial Calendar for the Year 2015-16**

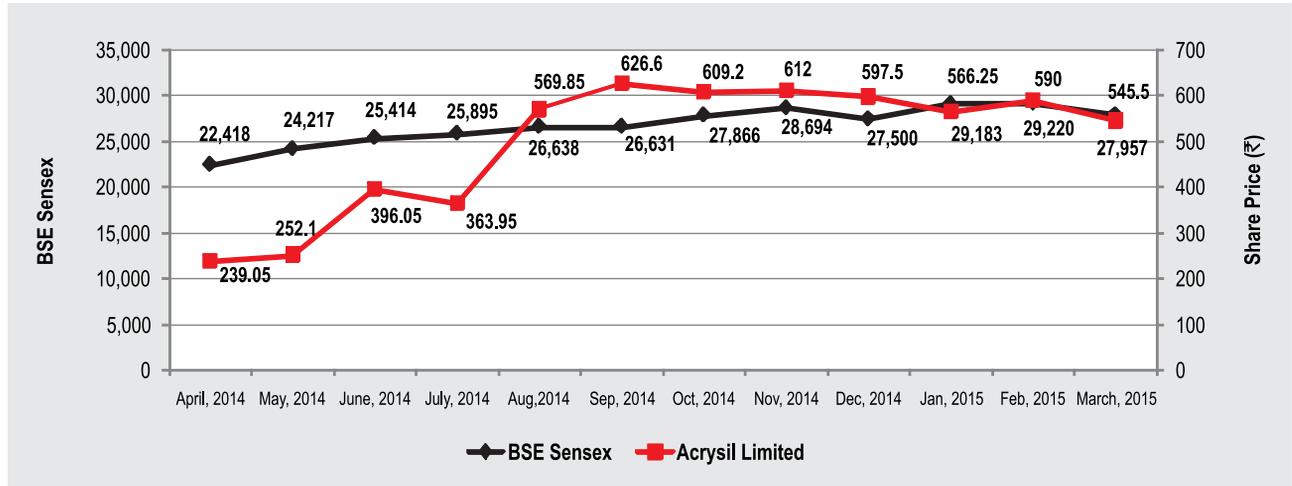
Financial Year	: April 1, to March 31,
First Quarter Results	: August 14, 2015
Half Yearly results	: Fourth week of October 2015
Third Quarter results	: Fourth week of January 2016
Results for year-end	: Third week of May 2016

- Dates of Book Closure** : Saturday, the September 19, 2015 to Friday, the September 25, 2015 (both days inclusive).
- Dividend payment date** : The proposed dividend, if approved at the ensuing Annual General Meeting will be distributed on or around October 15, 2015.
- Listing on Stock Exchanges** : The Bombay Stock Exchange Limited (BSE).  
Listing fees for the year 2015-16 have been paid.
- Stock Codes (for shares)** : The Bombay Stock Exchange Limited (BSE) : 524091  
Demat ISIN Number in NSDL and CDSL : INE482D01016
- Volume of shares traded on BSE** : 1666558
- Market Price Data:**

Month	The Bombay Stock Exchange Limited (BSE)		No. of Shares
	High	Low	Traded
April, 2014	270.00	170.65	132317
May, 2014	304.50	225.30	187522
June, 2014	414.00	241.00	225979
July, 2014	433.00	340.00	82528
August, 2014	672.95	360.00	205665
September, 2014	714.90	562.80	213381
October, 2014	642.40	560.05	51169
November, 2014	690.90	576.70	87952
December, 2014	640.00	555.70	152587
January, 2015	644.95	561.25	46615
February, 2015	645.00	521.00	118534
March, 2015	615.00	470.25	162309

### Share Price Movements

Share Price Movement for the period April, 2014 to March, 2015 of Acrysil Limited (AL) Vs BSE Sensex.



### Share Transfer System

The share transfer function is carried out by the Registrars and Transfer Agents – Bigshare Services Private Limited. Share transfers in physical form can be lodged at their office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Mumbai - 400 072. (Telephone: 022-40430200) E-mail: investor@bigshareonline.com

During the year, the Share Transfer Committee of the Company met at fortnightly intervals for approval of share transfers and other related matters.

Total number of shares transferred during the last two calendar years was as follows:

Particulars	2013-14	2014-15
Number of transfers	20	13
Numbers of shares processed	5285	2184

### Distribution of Shareholdings as on 31<sup>st</sup> March, 2015

Range	No. of Shareholders	Percentage	Shares Amount (₹)	Percentage
1-5000	4,579	88.5687	53,27,910	11.4382
5001-10000	347	6.7118	23,59,580	5.0657
10001-20000	120	2.3211	16,31,430	3.5024
20001-30000	51	0.9865	12,54,220	2.6926
30001-40000	14	0.2708	4,90,490	1.0530
40001-50000	12	0.2321	5,59,790	1.2018
50001-100000	20	0.3868	14,09,430	3.0258
Above 100000	27	0.5222	3,35,47,150	72.0205
<b>TOTAL</b>	<b>5,170</b>	<b>100.0000</b>	<b>4,65,80,000</b>	<b>100.00</b>

- **Categories of Shareholders as on 31<sup>st</sup> March, 2015**

Category	No. of Shareholders	Voting Strength%	No. of Shares
Promoters	9	47.2596	22,01,350
Financial Institutions /Banks	1	0.0032	150
Central / state Government(s)	1	0.0016	75
Bodies corporate	114	5.6302	262257
Clearing member	23	0.1210	5636
Directors /Relatives	1	0.0688	3204
Non resident Indians (NRI)	182	6.7396	313929
Overseas Bodies Corporates	1	9.7123	452400
Resident individual	4838	30.4637	14,18,999
<b>TOTAL</b>	<b>5170</b>	<b>100.00</b>	<b>46,58,000</b>

- **Dematerialisation of Shares and Liquidity**

81.67% of the Company's share capital is held in dematerialized form as on March 31, 2015. The Company's shares are regularly traded on The Bombay Stock Exchange Limited

- **Transfer to Investor Education and Protection Fund (IEPF)**

In accordance with the provisions of Section 125 of the Companies Act, 2013 the unpaid/unclaimed dividend of ₹ 144272/- was lying in the company's separate unpaid dividend account and lasting unclaimed for a period of seven years, was transferred to the IEPF.

- **Factory:**

Survey No. 312, Bhavnagar – Rajkot Highway, Navagam, Post: Vartej – 364 060, Bhavnagar, Gujarat, India

- **Address for Correspondence:**

Registered Office:  
704, Centre Point, J.B. Nagar, Andheri – Kurla Road,  
Andheri (East), Mumbai – 400 059  
Tel.: 022-6671 1101/05  
Fax: 022- 6671 1109  
CIN: L26914MH1987PLC042283  
Website: [www.carysil.com](http://www.carysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

- **Registrar and Transfer Agents (RTA):**

Bigshare Services Private Limited.  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Mumbai-400 072.  
Tel: 022-40430200  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Mumbai  
August 14, 2015

**CHIRAG A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

## Annexure 1 to Corporate Governance Report

To  
The Shareholders,  
**Affirmation of Compliance with Code of Business Conduct**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members and the senior management personnel have affirmed compliance with the Code of Business Conduct of the Company for the year ended March 31, 2015.

Mumbai  
August 14, 2015

**CHIRAG A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

## CERTIFICATE PURSUANT TO CLAUSE 49(IX) OF THE LISTING AGREEMENT

I, Mr. Chirag A. Parekh, Chairman & Managing Director hereby certify for the financial year ended 31<sup>st</sup> March 2015 that: -

- (a) I have reviewed financial statements and the cash flow statement of Acrysil Limited for the year and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

**For Acrysil Limited**

**CHIRAG A. PAREKH**  
(DIN: 00298807)

Chairman & Managing Director

Mumbai  
August 14, 2015

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## COMPLIANCE CERTIFICATE FROM AUDITORS

To

The Members of Acrysil Limited

We have examined the compliance of conditions of corporate governance by Acrysil India Limited, for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For SANGHAVI & COMPANY**  
Chartered Accountants  
FRN: 109099W

Mumbai  
August 14, 2015

**MANOJ GANATRA**  
Partner  
Membership No. 043485

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economy Overview

There was a marked slowdown in global growth during the year under review. Emerging markets, especially China, were characterized by a sharp fall in growth rates. Europe and Japan continued to be under pressure all through the year, while US showed tepid signs of improvement. As a result, the year was increasingly challenging for the global economy on account of greater volatility and uncertainty. Complex forces and many country and region specific factors that affected global activity in 2014 are still shaping the medium and long-term outlook.

Growth is projected to be stronger in 2015 relative to 2014 in advanced economies, but weaker in emerging markets, reflecting more subdued prospects for some large emerging market economies. Global growth is forecasted at 3.5% in 2015 and 3.8% in 2016, with uneven prospects across the main countries and regions of the world.

The rapid decline in oil prices, the appreciation of the US Dollar and the weakening of most other currencies, especially the Euro are just a few examples of the economic factors at play. The decline in oil prices could boost activity more than expected. Geopolitical tensions continue to pose threats and risk of disruptive shifts in asset prices remain relevant. In some advanced economies, protracted low inflation or deflation also pose risks to activity.

With the formation of new and stable government in India, the economic growth is likely to get impetus from several policy reforms introduced and likely to be introduced including FDI reforms, GST, Land Acquisition Bill, amongst others. Expectations have been built on the fast tracking of reforms and it is expected to boost Indian and foreign investment in various sectors. The drop in oil prices has significantly reduced the current account fiscal deficit and inflation; and have had a positive impact on the economy.

The Indian economy is poised to grow at a faster rate with the improvement in outlook. The economy grew by 7.2% in FY15 and is expected to grow by 7.5% during the current year. In its recent India development update, the World Bank has pegged India's economic growth at 7.9% for FY17.

### Industry Overview

#### Kitchen Sinks Industry

Kitchen sinks are rapidly transforming from being a mere plumbing fixture to a lifestyle accessory. Kitchens across the country are getting more modern, stylish and up market; and upwardly mobile consumers are demanding top of the line sinks that are not just utilitarian but also made from more durable and premium materials like composite quartz (generally referred to as granite sinks). The demand from the commercial and hospitality sector has also increased at a rapid rate.

Gobally, the largest market for premium kitchen sinks is the US where the product is classified under 'plumbing fixtures and fitting' is estimated to be worth US\$ 9 bn and expected to reach US\$ 12 bn by FY17. The US is also the largest export market for Indian kitchen sink manufacturers who export both stainless steel as well as ceramic and granite sinks to that country. Among all types,

export of granite (composite quartz) sinks has witnessed the highest growth.

The other major market for Indian granite sinks is the EU region with Germany, UK, France, Sweden and Italy being the top markets, accounting for almost one third of the total quartz sinks export from this country. (Source: Dun & Bradstreet)

#### Granite Sinks

The Indian sinks industry is estimated to be worth ₹ 1800 crores in CY 2014 (Dun & Bradstreet industry report). The report estimates that the total market for sinks will reach approx. ₹ 3100 crores in the next couple of years. The market has a mix of large number of both organized and unorganized players and the demand comes from both residential and commercial segments.

Stainless Steel kitchen sinks are the most popular form while granite sink demand is growing with increasing product awareness and aggressive marketing by companies who portray the product as a lifestyle accessory rather than a mere kitchen fixture.

The adoption of granite sinks in the domestic market has been slow primarily on account of premium pricing and lack of product awareness. Premium pricing has restricted the appeal to high networth households and in this segment as well the penetration of granite sinks is low due to lack of product awareness.

Exports account for the major market for Indian granite sink manufacturers and the export market has increased by 23% per annum for the past 5 years (FY10 to FY15).

Acrysil is among the select few manufacturers in the world that manufacture granite sinks of the highest international standards with state-of-the-art, closely guarded, technology. It is the dominant Indian player in the global granite sinks industry.

#### Stainless Steel Sinks

Stainless Steel sinks are the most popular form of sinks in the country and the market is characterized with a multitude of players including large, small, multinational, regional, local as well as unorganized sector. The rapid growth and demand has led to hundreds of regional brands springing up across the country and competing with major national brands.

Seeing a significant opportunity here, Acrysil ventured into the stainless steel sinks segment, targeting the premium consumers in India and abroad. The company's strategy has been extremely successful and it has been able to make a significant dent in both domestic as well as international markets. This has been the result of significant investments in R&D and implementation of contemporary new designs and introduction of innovative new products like stainless steel sinks with micro radius technology.

#### Kitchen Appliances

The premium domestic kitchen appliances demand is largely catered to by multinational companies. The bulk of the demand is from urban markets and the competition is highly fragmented with no brand enjoying clear dominance. The fragmented nature of the sector also makes it challenging to estimate the total market size. The market for modular kitchen in India is estimated to grow at a

rate exceeding 30% as more home owners demand kitchen units equipped with modern amenities and appliances thereby giving a tremendous boost to the kitchen appliances segment.

This segment is evolving rapidly and Acrysil has made a foray and is optimistic of becoming a very significant player in this segment. Acrysil's entry into this segment has been most encouraging and with its capabilities in innovation, research and development and design, the company is aiming at becoming a major player in this segment.

## Operational Review

### Granite Sinks

Acrysil has been steadily increasing its installed capacity of granite sinks to meet the growing demand and to benefit from economies of scale. Its granite sinks capacity has multiplied several times from 30,000 sinks per annum in FY93 to 275,000 sinks per annum in FY14 and further to 325,000 per annum in FY15.

The new facilities incorporate expanded floor area as well as state-of-the-art machinery including sophisticated equipment for machining of sinks, conversion of dry cutting machining to wet cutting machining. Washing automation line for kitchen sinks (wash before packaging) and automated packing line.

During the year the company introduced new models. The Company also developed two new colours as per the requirements of its export customers.

Acrysil's quartz sinks with steel moulding, a revolutionary product incorporating steel moulding in granite for the first time, as also started making waves as the product is introduced in different markets in the world.

During the year the company extended its global footprint to several new markets including countries like Finland, Australia, New Zealand, Iran, Jordan, Tunisia and Romania. The major growth in exports came from the North American market and with two new products developed for customers in Middle East, UK, and Scandinavian countries, Acrysil looks forward to accelerating its growth in these markets.

The total sales of sinks increased by 7.43% from 211350 Nos. in FY14 to 227050 Nos. in FY15 boosted up a strong offtake in both

export and domestic markets. The total granite sinks exports during FY15 stood at ₹84.82 crore while domestic sales accounted for ₹14.56 crores.

### Stainless Steel Sinks

Unlike most stainless steel sink manufacturers, Acrysil caters to high-end premium segment that is willing to pay premium for superior quality, designing and finish.

With its innovative products and new technology like micro radius and square sinks, it should be able to make a dent in this market as well. The acquisition of a distribution company in the UK which outsources stainless steel sinks and sells to the top customers in that country will also give a major boost to export of stainless steel sinks.

During the year under review, the domestic sales of stainless steel sinks increased by 23.45% from 21229 Nos. in FY14 to 26207 Nos. in FY15.

### Kitchen Appliances

Acrysil's entry in the kitchen appliances market has been impressive and its diversified range include faucets, hoods and chimneys, hobs and cook tops, ovens and microwave ovens, food waste disposers and wine chillers has found growing acceptance from the discerning Indian consumers. With its foray into this segment, Acrysil is the only company that is poised to become a significant player in the overall kitchen segment.

During the year Acrysil expanded the appliances range and started manufacturing and assembling hoods and hobs inhouse which will give the Company a great edge on not just price but also on quality and delivery fronts.

To its ever growing range of kitchen appliances, the company is adding further innovative products like barbeque grillers.

The total sales of kitchen appliances in the domestic market in FY15 stood at ₹ 6.79 crores while exports which has just commenced stood at ₹ 46 lakhs.

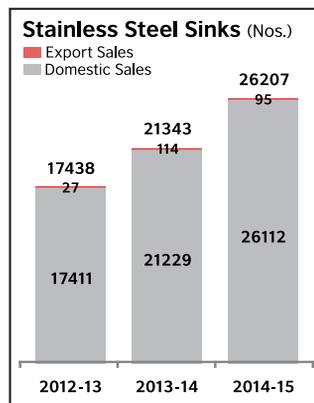
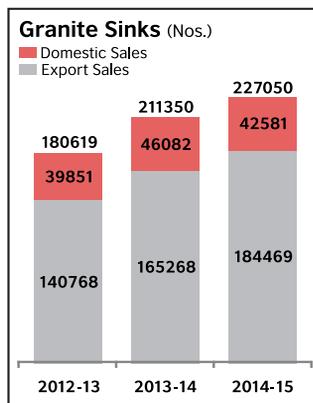
### Quartz Wash Basins and 3D Tiles

The Company had launched Sternhagen wash basins for domestic as well as international markets to cater to the fast growing market of premium wash basins late last year. Sternhagen is a premium brand from Germany and owned by Acrysil GmbH, the Company's wholly owned German subsidiary.

Subsequent to the launch, the company has started introducing the product in various markets and building awareness for this one of a kind product.

Sternhagen wash basins are manufactured using Sani-Q, a patented high-tech quartz material with silk finish.

The manufacturing process gives the product a far greater finesse than traditional material and allows very delicate and creation of thin shapes to be and are processed in specially developed machines to achieve accuracy and dimensional precision. Sani-Q is CE and IAPMO certified and since it is not brittle and made of quartz, it has excellent durability.



Sternhagen wash basins incorporate cutting edge elegance in design and have been the recipient of the prestigious Red Dot and IF design awards. The designs have been developed by a veteran German product designer.

The wash basins have been introduced in four nature inspiring exclusive designs with 8 exquisite colours.

To expand its bathroom product line further, Acrysil has entered the segment of tiles. Unlike conventional tiles, these tiles are made from Sani-Q and have built-in strength at both surface level and its core. Acrysil has introduced 3D quartz tiles for the first time in the country and will shortly launch the whole range of bathroom products like toilets, WCs, etc.

Acrysil's Sternhagen bathroom suites will take bathroom designs to a new level and to showcase this, the company plans to open showrooms – 'Sternhagen Suite', which will showcase the Sternhagen range of products and serve as an experience centre for prospective customers.

As Acrysil progresses to become a significant player in the kitchen segment, it is putting in place a road map to carve out a niche in the bathroom segment as well.

In line with that vision, the company plans to open 'Sternhagen Experience Centres' showcasing Sternhagen bathroom products in many parts of the country.

### Acquisition of UK Kitchen Sinks and Tap Company

During the year Acrysil acquired 74% stake in the UK based kitchen sinks distribution company Homestyle Products Ltd. The acquisition was made by Acrysil UK Ltd., Acrysil's wholly owned subsidiary in the UK.

Homestyle Products Ltd. is in the business of importing and marketing kitchen sinks primarily in the UK market and deals in faucets and allied products to provide holistic solutions to its customers. This company had a topline of GBP 2.35 million for the year ended 30<sup>th</sup> June, 2014.

This investment marks the entry of Acrysil into the premium U.K. market for kitchen sinks and accessories.

The acquisition will open up the UK market for Acrysil in a big way not only for its own line of products but also products that it can outsource from quality third party vendors and supply to the UK market.

### Brand Building and Marketing

Acrysil lays great importance on brand building and marketing activities and investment in these activities gathered pace during the year.

At Acrysil, brands are created differently. The process begins with the understanding of customer needs and aspiration, their spending power and the aesthetics of the product. These understandings are then connected with the Company's core beliefs to arrive at the unique attributes of the Carysil brand.

The Carysil brand is exemplary, not just when it comes to functional fulfillment, they are designed to deliver much more.

Similarly, the Sternhagen brand for Acrysil's bathroom products are unique in many respects. Not only our Sternhagen products extremely durable as they are made out of high strength composite quartz but also incorporate technology and designs that take the whole bathroom experience to a new level.

The company has reinforced its brand building and marketing activities by aggressive advertising on television, participation in international exhibitions like Kitchen and Bath Show in Shanghai, China and holding dealer and distributor, franchisees, architects, interior decorators and consultants meetings, road shows and conferences in various cities in India as well as many parts of the world.

Acrysil's vision is to build global brands. While Carysil brand is well known in many parts of the world, the company has earmarked UK and China for increased penetration.

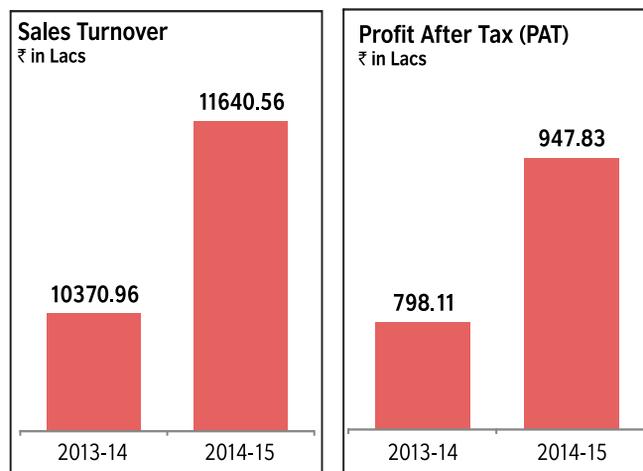
### Financial Review

We have continued in pursuing our business objectives and have reported our highest annual turnover ever. Our sustained efforts on operational efficiencies have enabled us to deliver consistent profitability and rapid growth.

Our Sales Turnover increased by 12.24% to ₹ 11640.56 lacs in FY15 as against ₹ 10370.96 lacs in FY14. Export Sales registered a growth of 14.75% and increased to ₹8500.81 lacs in FY15 as compared to ₹ 7408 lacs in FY14. We enhanced our effort in domestic market and as a result, domestic sales grew by 14.65% to ₹ 3139.75 lacs in FY15 as against ₹ 2738.60 lacs in FY14. Overall Export Sales at ₹ 8500.81 contributed 73.03% while Domestic Sales at ₹ 3139.75 lacs contributed 26.97% of the total Sales Turnover during the year.

Profit before Tax increased by 25.14% to ₹ 1316.53 lacs in FY15 from ₹ 1052.08 lacs in FY14. Profit After Tax increased by 18.76% to ₹ 947.83 lacs in FY15 from ₹ 798.11 lacs in FY14.

On a consolidated basis, the Sales Turnover of the company increased by 19.39% to ₹ 12710.40 lacs in FY15 from ₹ 10646.07 lacs in FY14. Consolidated EBIDTA increased by 26% to ₹ 2422.92



lacs in FY15 as against ₹1919.89 lacs in FY14 while consolidated Profit After Tax registered 13% increase to ₹873.10 lacs in FY15 as against ₹772.27 lacs in FY14.

The Earnings Per ₹10 Share stood at ₹18.88 in FY15 as against ₹17.29 in the previous year.

The Company has a consistent dividend policy and the Directors have recommended Dividend of 40% subject to the approval of members at the Annual General Meeting of the company.

## Human Resources Development

Acrysil caters to the premium market for its entire range of products. This market has high expectations and uncompromising as far as product quality and class are concerned. In order to be able to live up to these standards in which value and differentiation are so critical, Acrysil invests substantially in the most precious asset - Human Resources.

Acrysil recognizes that its people are its biggest asset and that its business is intrinsically linked with the growth of its people. The company encourages diversity, agility and innovative thinking across all levels of the organization. It embraces the process of internationalization that involves multicultural work ethos and design to meet the business growth objectives in a competitive environment.

The quality and dynamism of Acrysil people enable it to stand out ahead of its competitors and the passion of its people who work relentlessly to be customer focused, competitively superior performance driven and future ready.

Acrysil's work culture of leadership developed has enabled it to attract and retain the finest talent in the industry. The company ensures that all the employees are given the opportunity for both personal and professional growth. The entire HR system is based on performance oriented culture and recruitment, systems management, recognition and reward, and all are driven by business objectives.

The HR initiatives, especially the growth of business through innovation, people, practices, policies, systems and processes, empower and engage people at all levels. The dedicated and talented workforce of 202 people spread out across India and abroad have been instrumental in driving the company's growth.

## R&D

Innovation is the lifeblood of Acrysil's businesses and goes beyond just product design. It touches all the functions of the organization and manifests in the way the final product is developed, displayed and marketed. Innovation also means setting new standards of enterprise efficiency and creating a lean, flexible and nimble organization that is superbly geared to respond to new opportunities and challenges.

Acrysil's quest for innovation is driven by its thirst for creating better performing and exquisite looking products. It is an on-going process to develop designs inspired by simplicity and perfection that is reflected in our Sani-Q wash basins.

There is a lot of technology that goes into the development of such products.

Acrysil has also developed the raw material 'Sani-Q', which is a patented high-tech quartz material with silk matte finish, perfect for easy upkeep and artistic sculpture.

Acrysil has taken steps to streamline the manufacturing process and has in place an extremely flexible casting process specially developed VMC machines and automated washing and packing lines for its products.

Simultaneously, R&D is constantly at work to come up with contemporary designs as well as moulds and tooling for customized designs provided for major customers.

During the year, 12 new models were introduced including 4 models for wash basins. There were complex central bowl, jumbo bowl, round bowl, low divider bowl moulds and several others developed for various clients. Two new colours were introduced in our range of granite sinks (mettalic and magnolia) and two new colours (gold and silver) for our Sani-Q wash basins.

Acrysil's thirst for innovation has also led to the development of unique products like micro radius stainless steel sinks, square stainless steel sinks and 3D quartz wall tiles. Acrysil is now working on products like 3D WCs and toilets. Similarly, in the area of appliances, the company is marketing switch-free and feather touch chimneys and other innovative products.

Each of these innovations are the outcome of efforts which are oriented towards improved and uniquely designed products that exceed customer expectations and deliver great value.

## Outlook

As a result of its focused approach over the years, Acrysil has delivered excellent growth. Acrysil will continue to focus on delivering superior financial performance, innovation and industry leadership in its chosen businesses – kitchen sinks, kitchen appliances and bathroom sinks and other products.

Going forward, the business environment is filled with exciting opportunities and challenges, and the current market conditions are highly conducive to growth. Major investments are taking place in both residential and commercial sectors. The aspirations of people are moving up and they now look for products that provide them with much more than functionality but also incorporate great design, finish and class. People are looking to give personality to their kitchens and bathrooms through use of Acrysil's appliances and products like.

Acrysil shall pursue the opportunities in domestic markets through greater thrust and increased market penetration. Acrysil has the advantage of the brand that is well established and the efforts to build the brand will continue with great vigour. The Acrysil brand is well established and competes with global leaders in such sophisticated markets like USA, Germany, UK and Japan where we have been growing our business. In the years ahead, Acrysil will see even greater traction from these markets.

The recent acquisition of the kitchen sinks company in the UK will add yet another dimension to Acrysil's marketing thrust in the UK.

The business environment is filled with exciting opportunities and challenges and even though there is intense competition at Acrysil,

we believe that the expertise of our team, quality and exquisite designs of our products and the superior customer service will help the company continue its strong growth trajectory.

### Risks And Concerns

#### Technological Obsolescence

Acrysil operates in an ever evolving and dynamic technology environment and the Company continuously reviews and upgrades its technology, resources and processes lest it faces technology obsolescence.

#### Competition

Acrysil faces competition not only from India based companies but increasingly from the multinational companies. Acrysil's differentiation strategy incorporating its unique business approach has led to its emerging as a leader in the rapidly growing lifestyle kitchen products industry. To remain competitive, Acrysil has developed competencies in various technologies and offers a wide range of cutting edge technology products to customers based on their needs.

#### Exchange Rate Risks

The global financial position continues to remain volatile with wide swings in currencies impacting the industry. This trend is expected to continue during the year too. The company is exposed to risks from market fluctuations of foreign exchange and price fluctuation on its finished goods. Acrysil has taken proper precautions to protect its payable and forecast revenues against foreign currency fluctuations.

#### Rising Costs

The undulating prices of vital raw materials result in a pressure on margins. Rising prices of resources make it a challenge for the Company to reduce material costs. Due to its niche position in many of its products, it is able to use its economies of scale and purchasing power to limit the pressures of increasing input costs.

### Adequacy of Internal Control Systems

Acrysil's internal control systems and procedures adhere to industry standards in terms of effective resource utilisation, operational efficiency and financial reporting. They also comply with various relevant laws and regulations.

The Company has established proper and adequate systems of internal control to ensure that all resources are put to optimum use and are well protected against loss, and that all transactions are authorized, recorded and reported correctly and there is proper adherence to policies, guidelines and processes in terms of efficiencies and effectiveness.

The Company has an internal audit system which ensures that adequate processes, systems and internal controls are implemented, and these controls are commensurate with the size and operations of the company and transactions are executed in accordance with policies and authorization.

The company has a business planning system to set targets and

parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

### Disclaimer

Certain statements made in this report relating to the Company's objectives, projections, outlook, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such estimates or projections etc., whether expressed or implied. Several factors including but not limited to economic conditions affecting demand and supply, government regulations and taxation, input prices, exchange rate fluctuation, etc., over which the Company does not have any direct control, could make a significant difference to the Company operations. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on any forward looking statements. The MD&A should be read in conjunction with the Company's financial statements included herein and the notes thereto. Information provided in this MD&A pertain to Acrysil Limited unless otherwise stated.

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
ACRYSIL LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Acrysil Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2015 and of the profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in clause 3 and 4 of the Order, to the extent possible.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms section 164(2) of the Act;
  - f) With respect to the other matters to be included in the Auditors' 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 Company has disclosed the impact of pending litigations on its financial position under Note No. 27 of the financial statements;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For SANGHAVI & COMPANY**  
Chartered Accountants  
FRN: 109099W

**MANOJ GANATRA**  
Partner  
Membership No. 043485

Mumbai  
May 23, 2015

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No discrepancies were noticed on such verification.
- 2 In respect of inventories:
  - a. The inventories were physically verified by the management at reasonable intervals during the year.
  - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification carried out by the management of the Company.
- 3 The Company has granted unsecured loans to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Since no terms and conditions of these loans granted to the subsidiaries are stipulated, we cannot offer any comments as to the repayment of principal amount or overdue amounts, if any.
- 4 There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services except for certain functional areas where internal control procedures need to be strengthened. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5 The Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues:
  - a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
  - b. There are no amounts outstanding, which have not been deposited on account of dispute.
  - c. The amounts required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- 8 The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current as well as in the immediately preceding financial year.
- 9 The Company has not defaulted in repayment of dues to banks. The company has not obtained any borrowings from any financial institutions or by way of debentures.
- 10 The terms and conditions on which the Company has given guarantee for loan taken by its subsidiary company from bank are not prejudicial to the interest of the Company.
- 11 Terms loans obtained by the Company have been applied for the purpose for which they were obtained.
- 12 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

**For SANGHAVI & COMPANY**  
**Chartered Accountants**  
**FRN: 109099W**

Mumbai  
May 23, 2015

**MANOJ GANATRA**  
**Partner**  
**Membership No. 043485**

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	Note No.	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	46,580,000		45,080,000	
Reserves and Surplus	3	421,638,746		337,215,796	
Money received against Share Warrants		-		3,750,000	
			468,218,746		386,045,796
<b>Non-Current Liabilities</b>					
Long-term Borrowings	4	91,317,677		106,111,027	
Deferred Tax Liabilities (Net)		30,515,000		22,135,000	
Long-term Provisions	5	1,178,545	123,011,222	649,439	128,895,466
<b>Current Liabilities</b>					
Short-term Borrowings	6	376,115,675		225,244,827	
Trade Payables		113,809,354		122,671,836	
Other Current Liabilities	7	109,918,824		70,784,565	
Short-term Provisions	8	42,488,238	642,332,091	33,644,886	452,346,114
<b>Total...</b>			<b>1,233,562,059</b>		<b>967,287,376</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	9	332,382,210		275,379,605	
Intangible Assets		4,166,906		2,939,271	
Capital Work-in-Progress		22,753,599		8,192,275	
			359,302,715		286,511,151
Non-current Investments	10	127,185,912		73,976,814	
Long-term Loans and Advances	11	90,256,953		69,098,940	
Other Non-current Assets		-	576,745,580	-	429,586,905
<b>Current Assets</b>					
Current Investments		-		-	
Inventories	12	233,137,981		212,859,831	
Trade Receivables	13	275,644,915		243,885,395	
Cash and Bank Balances	14	51,092,578		20,364,867	
Short-term Loans and Advances	15	96,941,005		60,590,378	
Other Current Assets		-	656,816,479	-	537,700,471
<b>Total...</b>			<b>1,233,562,059</b>		<b>967,287,376</b>

The accompanying notes 1 to 35 are an integral part of these financial statements.

As per our report of even date

**For SANGHAVI & COMPANY**  
FRN: 109099W  
Chartered Accountants

**MANOJ GANATRA**  
Partner  
Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**  
Company Secretary

Mumbai, May 23, 2015

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**C. A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

**J. R. NAIK**  
(DIN: 00030172)  
Director

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	Note No.	2014-2015	2013-2014
<b>REVENUE</b>			
Revenue from Operations (Gross)	16	1,191,577,232	1,058,842,393
Less : Excise Duty		27,521,146	21,746,801
Revenue from Operations (Net)		1,164,056,086	1,037,095,592
Other Income	17	11,210,909	7,662,035
<b>Total Revenue</b>		<b>1,175,266,995</b>	<b>1,044,757,627</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	18	351,525,088	325,531,899
Purchases of Stock-in-Trade		106,596,084	162,967,153
Changes in Inventories	19	(3,313,263)	(53,235,061)
Employee Benefits Expenses	20	81,607,004	69,831,677
Finance Costs	21	48,103,851	34,357,884
Depreciation and Amortization		35,907,523	41,961,363
Other Expenses	22	423,187,550	358,134,335
<b>Total Expenses</b>		<b>1,043,613,837</b>	<b>939,549,250</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>131,653,158</b>	<b>105,208,377</b>
Exceptional Items		-	-
Extraordinary Items		-	-
<b>Profit Before Tax</b>		<b>131,653,158</b>	<b>105,208,377</b>
<b>Tax Expenses</b>			
Current tax		37,084,144	34,216,272
MAT credit entitlement		(9,084,144)	(11,916,272)
Earlier Years' Tax		112,670	182,632
Deferred Tax		8,757,471	2,915,000
		36,870,141	25,397,632
<b>Net Profit for the year</b>		<b>94,783,017</b>	<b>79,810,745</b>
Face Value per Equity Share		10.00	10.00
<b>Earnings per Equity Share</b>			
Basic		20.49	17.87
Diluted		20.49	17.65

The accompanying notes 1 to 35 are an integral part of these financial statements.

As per our report of even date

**For SANGHAVI & COMPANY**  
FRN: 109099W  
Chartered Accountants

**MANOJ GANATRA**  
Partner  
Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**  
Company Secretary

Mumbai, May 23, 2015

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**C. A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

**J. R. NAIK**  
(DIN: 00030172)  
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(₹ in Lacs)

	2014-2015	2013-2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary Items	1,316.53	1,052.08
Adjustments for -		
Depreciation and amortization	359.08	419.61
Provision for doubtful debts	-	7.29
Loss / (Profit) on sale of assets	(1.18)	(8.32)
Interest	410.27	163.23
	<u>768.17</u>	<u>581.81</u>
Operating Profit Before Working Capital Changes	2,084.70	1,633.89
Adjustments for -		
Trade and other receivables	(678.22)	(684.96)
Inventories	(202.78)	(501.33)
Trade and other payables	304.21	525.77
Cash Generated From Operations	1,507.91	973.37
Direct taxes paid	(245.34)	(290.55)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>1,262.57</u>	<u>682.82</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,102.15)	(859.55)
Purchase of investments	(532.09)	(220.29)
Sale of fixed assets	5.23	69.05
Interest received	57.35	26.38
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(1,571.66)</u>	<u>(984.41)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	112.50	50.00
Proceeds from issuance of share warrants	-	37.50
Proceeds from loans borrowed (net)	1,360.78	819.56
Loans lent to subsidiary companies	(181.14)	(266.17)
Interest paid	(467.62)	(189.61)
Dividend paid	(174.83)	(143.21)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>649.69</u>	<u>308.07</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<u>340.60</u>	<u>6.48</u>
Cash and cash equivalents as at beginning of the year	111.16	104.68
Cash and cash equivalents as at end of the year	<u>451.76</u>	<u>111.16</u>
<b>Cash and Cash Equivalents:</b>		
Cash and bank balances	510.93	203.65
Statutory restricted accounts	(59.17)	(92.49)
	<u>451.76</u>	<u>111.16</u>

As per our report of even date

For **SANGHAVI & COMPANY**

FRN: 109099W

Chartered Accountants

**MANOJ GANATRA**

Partner

Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**

Company Secretary

Mumbai, May 23, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**C. A. PAREKH**

(DIN: 00298807)

Chairman &amp; Managing Director

**J. R. NAIK**

(DIN: 00030172)

Director

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and are based on historical cost convention on accrual basis.

##### USE OF ESTIMATES

The preparation of financial statement in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### FIXED ASSETS

All tangible assets are stated at cost less depreciation. All the costs incurred till the date the assets are put to use, have been capitalized and included in the cost of the respective assets. Depreciation is provided on Written Down Value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

##### INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials, traded goods and stores and spares - on a first-in first-out (FIFO) basis;

Finished and semi-finished goods - at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty.

##### REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

##### EXCISE AND CUSTOM DUTY

Excise duty in respect of goods manufactured by the Company is, according to the method consistently followed by the Company, accounted for at the time of removal of goods from the factory for sale.

However, excise duty payable on the closing stock of Finished Goods is provided for in the account. Purchases of goods and fixed assets are accounted for net of excise cenvat credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### EMPLOYEE BENEFITS

#### Post-employment benefit plans

- i. **Defined Contribution Plan:** Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the Company is made in accordance with the scheme with Life Insurance Corporation of India.
- ii. **Defined Benefit Plan:** The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

#### SHORT-TERM EMPLOYEE BENEFITS

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

#### FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit and loss account. Current assets and liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit and loss account.

#### BORROWING COSTS

Net costs of borrowed funds for the projects are capitalized and included in the cost of fixed assets till its completion and other borrowing costs are recognized as expenses in the period in which they are incurred.

#### TAXATION

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### EARNING PER SHARE

Basic Earning per Share (EPS) is computed by dividing the net profit for the year attributable to the equity shareholders, by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted number of equity and dilutive equity equivalent shares outstanding at the year-end, if any.

#### PROVISION AND CONTINGENCIES

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 2

(Amounts in Indian ₹)

	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>2.1 Share Capital</b>		
<b>Authorised</b>		
5,000,000 Equity Shares of ₹ 10 each	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
4,658,000 (4,508,000) Equity Shares of ₹ 10 each	46,580,000	45,080,000
	<u>46,580,000</u>	<u>45,080,000</u>

- a. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding five years: 1,486,000

### 2.2 Share Capital Reconciliation

Particulars	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	4,508,000	45,080,000	4,458,000	44,580,000
Shares issued during the year	150,000	1,500,000	50,000	500,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,658,000	46,580,000	4,508,000	45,080,000

### 2.3 Shares held by each shareholder holding more than five percent shares

Name of Shareholder	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
	No. of shares	% of holding	No. of shares	% of holding
Chirag A Parekh	1,660,946	35.66%	1,735,946	38.51%
Schock & Co GmbH	452,400	9.71%	452,400	10.03%
Piyush Vrajlal Mehta	246,932	5.30%	295,350	6.55%

### 2.4 Rights, Preferences and Restrictions attached to Shares:

#### Equity Shares:

The Company has one class of equity shares having a face value of ₹10 each ranking *Pari Passu* in all respects including voting rights and entitlement to dividend.

### Note No. 3

#### Reserves and Surplus

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>a. Capital Reserve</b>	<b>2,519,500</b>	<b>2,519,500</b>
<b>b. Securities Premium Account</b>		
Balance at the beginning of the year	4,500,000	-
Additions during the year	13,500,000	4,500,000
Balance at the end of the year	<u>18,000,000</u>	<u>4,500,000</u>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>c. General Reserve</b>		
Balance at the beginning of the year	250,000,000	230,000,000
Adjustment on account of depreciation (Refer Note No. 26)	(733,060)	-
Short provision in earlier year for dividend and dividend tax	(701,970)	-
Transfer from surplus	31,435,030	20,000,000
Balance at the end of the year	280,000,000	250,000,000
<b>d. Surplus</b>		
Balance at the beginning of the year	80,196,296	41,482,090
Net Profit for the year	94,783,017	79,810,745
Transfer to general reserve	(31,435,030)	(20,000,000)
Proposed dividend	(18,632,000)	(18,032,000)
Corporate dividend tax	(3,793,037)	(3,064,539)
Balance at the end of the year	121,119,246	80,196,296
	421,638,746	337,215,796

**Note No. 4****Long Term Borrowings**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>a. Secured</b>		
Term loans from banks (Indian rupee accounts)	46,317,677	64,291,027
	46,317,677	64,291,027
<i>Notes: Term loans from banks are secured by first hypothecation charge on all movable properties and second charge on the entire current assets of the company and hypothecation of vehicles and further secured by first pari passu charge by way of mortgage on the entire immovable assets of the company and personal guarantees of some the directors of the company.</i>		
Period of default	NA	
Amount	Nil	
<b>b. Unsecured</b>		
From directors	45,000,000	-
From shareholders	-	420,000
From others	-	41,400,000
	45,000,000	41,820,000
	91,317,677	106,111,027

**Note No. 5****Long Term Provisions**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Provision for leave encashment	1,178,545	649,439
	1,178,545	649,439

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 6

#### Short Term Borrowings

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>a. Secured</b>		
Working capital finance from banks (Indian rupee accounts)	231,138,350	215,244,827
Working capital finance from banks (Foreign currency accounts)	134,977,325	-
	<u>366,115,675</u>	<u>215,244,827</u>
<i>Working capital finance from banks are secured by first hypothecation charge on the entire current assets of the company and exclusive equitable mortgage of certain immovable assets of the company and further secured by personal guarantees of some of directors of the company.</i>		
Period of default N A		
Amount Nil		
<b>b. Unsecured</b>		
From a subsidiary company	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
	<u>376,115,675</u>	<u>225,244,827</u>

### Note No. 7

#### Other Current Liabilities

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Current maturities of long-term debt	69,016,951	36,927,330
Interest accrued but not due on borrowings	-	663,654
Advances from customers	13,790,058	13,611,375
Statutory liabilities	7,251,810	3,101,793
Unclaimed dividends	3,181,511	2,632,624
Other liabilities	16,678,494	13,847,789
	<u>109,918,824</u>	<u>70,784,565</u>

### Note No. 8

#### Short Term Provisions

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Provision for Bonus	998,289	855,436
Provision for Leave Encashment	108,488	82,661
Provision for Income Tax (Net of Payments)	18,956,424	11,610,250
Proposed Dividend	18,632,000	18,032,000
Corporate Dividend Tax	3,793,037	3,064,539
	<u>42,488,238</u>	<u>33,644,886</u>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 9****Fixed Assets**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 1 <sup>st</sup> April, 2014 (₹)	Additions (₹)	Deductions (₹)	As at 31 <sup>st</sup> March, 2015 (₹)	As at 1 <sup>st</sup> April, 2014 (₹)	Depreciation For the Year (₹)	On Deductions (₹)	On Adjustment (₹)	As at 31 <sup>st</sup> March, 2015 (₹)	As at 31 <sup>st</sup> March, 2014 (₹)	
<b>Tangible Assets</b>											
Freehold Land	21,440,057	19,275,800	-	40,715,857	-	-	-	-	40,715,857	21,440,057	
Buildings	83,208,202	3,453,997	-	86,662,199	14,980,570	2,278,104	-	-	69,403,525	68,227,632	
Plant & Equipment	102,046,949	6,183,480	-	108,230,429	52,309,422	9,733,564	-	252,586	45,934,857	49,737,527	
Moulds and Dies	269,417,734	46,401,578	-	315,819,312	164,985,959	14,305,628	-	6,970	136,520,755	104,431,775	
Vehicles	19,067,813	12,924,346	1,868,120	30,124,039	10,673,663	3,770,902	1,463,003	570	17,141,907	8,394,150	
Furniture & Fixtures	25,030,260	1,926,996	-	26,957,256	9,226,034	1,982,302	-	42,325	15,706,595	15,804,226	
Office Equipment	17,262,541	3,557,311	-	20,819,852	9,918,303	3,134,756	-	808,079	6,958,714	7,344,238	
	537,473,556	93,723,508	1,868,120	629,328,944	262,093,951	35,205,256	1,463,003	1,110,530	332,382,210	275,379,605	
<b>Intangible Assets</b>											
Computer Software	5,549,057	107,825	-	5,656,882	2,609,786	520,059	-	-	2,527,037	2,939,271	
Design & Property Right	-	1,822,077	-	1,822,077	-	182,208	-	-	1,639,869	-	
	5,549,057	1,929,902	-	7,478,959	2,609,786	702,267	-	-	4,166,906	2,939,271	
<b>Total</b>	543,022,613	95,653,410	1,868,120	636,807,903	264,703,737	35,907,523	1,463,003	1,110,530	336,549,116	278,318,876	
<b>Previous year</b>	470,855,150	78,372,476	6,205,013	543,022,613	222,874,411	41,961,363	132,037	-	278,318,876	247,980,739	

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 10

#### Non-current Investments

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>Trade Investments :</b>		
Unquoted; at cost:		
a. Investments in Subsidiary Companies:		
4,598,000 equity shares of Acrysil Steel Limited of ₹ 10 each (extent of holding: 93.84%)	45,980,000	45,980,000
84,900 equity shares of Sternhagen Bath Private Limited of ₹ 10 each (extent of holding: 84.90%)	849,000	849,000
9 equity shares of Acrysil GmbH of Euro 25,000 each (extent of holding: 100%)	17,147,814	17,147,814
1,000,000 equity shares of Acrysil Appliances Limited of ₹ 10 each (extent of holding: 100%)	10,000,000	10,000,000
550,001 equity shares of Acrysil UK Limited of ₹ 10 each (extent of holding: 100%)	53,209,098	-
	<b>127,185,912</b>	<b>73,976,814</b>

### Note No. 11

#### Long-term Loans and Advances

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>Unsecured (Considered Good)</b>		
Capital Advances	15,911,775	22,581,816
Security Deposits	6,038,833	1,916,230
Loans to Subsidiary Companies	68,306,345	44,600,894
Other Loans and Advances	-	-
	<b>90,256,953</b>	<b>69,098,940</b>

### Note No. 12

#### Inventories

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
(Valued at lower of cost or net realisable value)		
Raw Materials	40,556,420	35,889,608
Work-in-Progress	38,739,833	16,627,270
Finished Goods	48,814,824	35,655,714
Stock-in-Trade	50,543,151	82,501,561
Bought out Items	28,584,553	26,543,760
Stores & Spares	7,313,735	3,043,508
Packing Materials	18,585,465	12,598,410
	<b>233,137,981</b>	<b>212,859,831</b>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 13****Trade Receivables**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Unsecured (Considered good, unless otherwise stated)		
Over Six Months	22,998,021	15,296,322
Others	253,376,318	229,318,497
	276,374,339	244,614,819
Less: Provision for Doubtful Debts	729,424	729,424
	275,644,915	243,885,395
Includes -		
	More than Six Months	Others
Due from Subsidiaries	-	5,727,362

**Note No. 14****Cash and Bank Balances**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>I. Cash and Cash Equivalents</b>		
a. Balances with Banks:		
Current Accounts	43,354,338	9,319,990
Short term Deposits	1,237,000	2,790,100
	44,591,338	12,110,090
b. Cash on Hand	1,821,730	1,795,653
	46,413,068	13,905,743
<b>II. Other Bank Balances</b>		
Dividend Accounts	3,181,510	2,632,624
Terms Deposits with more than 12 months Maturity	1,498,000	3,826,500
Other terms Deposits	-	-
	4,679,510	6,459,124
	51,092,578	20,364,867
Term deposits of ₹ 2,735,000 (6,616,600) are under lien with banks against various credit facilities and excise authorities		

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 15

#### Short-term Loans and Advances

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>Unsecured (Considered Good)</b>		
Trade Advances to Suppliers	23,738,222	6,973,174
Loans and Advances to Staff (Including Officers of the Company ₹ 830,883 (₹ 197,788))	2,484,329	2,142,800
Input Credits Receivable	60,053,478	36,194,169
Prepaid Expenses	4,835,614	3,253,177
Advances to Subsidiary Companies	834,576	1,629,228
Other Loans and Advances	4,994,786	10,397,830
	<u>96,941,005</u>	<u>60,590,378</u>
Trade Advances to Suppliers include:		
- to a Subsidiary Company	1,090,606	11,735
- to a Company in which some of the Directors are interested	359,958	359,958

### Note No. 16

#### Revenue from Operations

Particulars	2014-2015	2013-2014
	( ₹ )	( ₹ )
<b>Sale of Products</b>		
Export Sales	851,362,974	740,800,390
Domestic Sales	341,495,279	295,572,811
	1,192,858,253	1,036,373,201
<b>Other Operating Revenue</b>		
Foreign Currency fluctuation Gain/(Loss)	(1,281,021)	22,469,192
Other Operational Income	- (1,281,021)	- 22,469,192
	<u>1,191,577,232</u>	<u>1,058,842,393</u>

### Note No. 17

#### Other Income

Particulars	2014-2015	2013-2014
	( ₹ )	( ₹ )
Interest Receipts	5,735,073	2,638,338
Insurance Claims Receipts	2,464,169	2,075,700
Profit on Sale of Assets	117,883	832,004
Miscellaneous Income	2,893,784	2,115,993
	<u>11,210,909</u>	<u>7,662,035</u>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 18****Cost of Materials Consumed**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Raw Materials Consumed				
Opening Stock	35,889,608		44,025,896	
Purchase and Direct Expenses	284,058,134		249,393,448	
	319,947,742		293,419,344	
Closing Stock	40,556,420	279,391,322	35,889,608	257,529,736
		279,391,322		257,529,736
Bought out Items Consumption		72,133,766		68,002,163
		351,525,088		325,531,899

**Note No. 19****Changes in Inventories**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Opening Stock</b>				
Finished Goods	35,655,714		27,735,772	
Stock-in-Trade	82,501,561		36,187,519	
Work-in-Progress	16,627,270	134,784,545	17,626,193	81,549,484
<b>Closing Stock</b>				
Finished Goods	48,814,824		35,655,714	
Stock-in-Trade	50,543,151		82,501,561	
Work-in-Progress	38,739,833	138,097,808	16,627,270	134,784,545
		(3,313,263)		(53,235,061)

**Note No. 20****Employee Benefit Expenses**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Salaries, Wages, Allowances and Bonus	72,499,596		59,325,183	
Contribution to Employee Benefit Funds	6,027,768		5,462,263	
Staff Welfare Expenses	3,079,640		5,044,231	
	81,607,004		69,831,677	
Includes Directors Remuneration	9,145,108		10,051,065	

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Note No. 21

#### Finance Costs

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Interest</b>				
Working Capital Finance	25,144,363		16,581,931	
Term Loans	11,923,706		10,570,852	
Others	9,030,369	46,098,438	6,282,108	33,434,891
Other Borrowing Costs		2,005,413		922,993
		<u>48,103,851</u>		<u>34,357,884</u>

### Note No. 22

#### Other Expenses

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Manufacturing Expenses</b>				
Power & Fuel	38,289,731		35,882,383	
Machinery repairs and maintenance	10,512,012		10,409,293	
Packing materials and expenses	102,428,317		83,549,128	
Stores & spares	18,825,122		17,518,647	
Other expenses	33,194,387	203,249,569	26,426,505	173,785,956
<b>Selling and Distribution Expenses</b>				
Sales commission	21,389,111		10,612,036	
Advertisement and sales promotion expenses	30,802,226		33,062,597	
Export freight, insurance and other expenses	64,137,863		53,059,974	
Other selling expenses	7,775,286	124,104,486	6,433,504	103,168,111
<b>Administrative and Other Expenses</b>				
Travelling expenses	27,888,342		26,753,463	
Rent	7,837,564		6,259,023	
Rates and taxes	1,341,633		1,336,184	
Insurance premiums	2,990,863		2,027,649	
Building and other repairs	6,653,721		5,728,881	
Directors' sitting fees	675,000		425,000	
Legal and professional fees	17,603,014		10,331,896	
Postage and telephone expenses	4,352,289		4,024,966	
Printing and stationery expenses	2,155,965		1,901,662	
Payments to auditors	744,950		336,500	
Bank discount, commission and other charges	6,842,363		7,448,725	
Vehicle expenses	1,170,728		495,392	
Bad debts & provision for bad debts	436,217		729,424	
Donations	230,880		388,585	
Corporate social responsibility expenses	1,694,370		20,000	
Prior period expenses	323,807		518,800	
General expenses	12,891,789	95,833,495	12,454,118	81,180,268
		<u>423,187,550</u>		<u>358,134,335</u>

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

23. Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.
24. In the opinion of the directors, current assets, loans and advances are of the value stated in the Balance Sheet, if realised in the normal course of the business and also provisions for all known liabilities have been made.
25. Deferred tax liability of ₹ 8,757,471 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under Income Tax Act, is charged to the Profit & Loss Statement. Details of the balance of ₹ 30,515,000 are as under:

Particulars	₹
Depreciation	31,776,462
Disallowances u/s. 43B of the Income Tax Act	(1,261,462)
<b>Total</b>	<b>30,515,000</b>

26. Depreciation for the year ended 31st March, 2015 has been aligned to comply with requirements of Part C of Schedule II to the Companies Act, 2013. Consequently, depreciation charge is lower by ₹ 14,325,274 for the year ended 31st March, 2015. Further, an amount of ₹ 733,060 (net of deferred tax ₹ 377,470) in respect of the fixed assets where the useful lives has already expired, has been adjusted to the opening balance of the general reserve.

### 27. Contingent Liabilities:

- In respect of disputed excise duty: ₹ 109,659 (109,659)
- In respect of disputed custom duty: ₹ 4,154,490 (6,231,735)
- In respect of guarantees given on behalf of a subsidiary company: ₹ 225,500,000 (84,000,000)

### 28. Auditors' Remuneration

	2014-2015	2013-2014
Audit Fees (Including Quarterly Review)	435,000	220,000
Tax Audit Fees	50,000	30,000
Certification and Other Matters	259,950	86,500

### 29. Disclosure as per AS-15 (Revised) on "Employee Benefit" for the year ended 31<sup>st</sup> March, 2015

(Amounts in Indian ₹)

	Gratuity Plan 2014-2015	Gratuity Plan 2013-2014
<b>Change in the defined benefit obligations</b>		
<b>Defined benefit obligations as at 1st April</b>	<b>6,004,843</b>	3,551,552
Service cost	667,334	519,188
Interest cost	480,387	284,124
Actuarial loss / (Gain)	813,488	1,716,343
Benefits paid	(246,406)	(66,364)
<b>Defined benefit obligations as at 31st March (a)</b>	<b>7,719,646</b>	6,004,843
<b>Change in plan assets</b>		
<b>Fair Value of plan assets as at 1st April</b>	<b>3,463,777</b>	2,939,958
Expected return on plan assets	376,521	280,031
Contributions by employer	2,489,923	310,152
Benefits paid	(246,406)	(66,364)
<b>Fair Value of plan assets as at 31st March (b)</b>	<b>6,083,814</b>	3,463,777
Present Value of unfunded obligations (a-b)	1,635,832	2,541,066
The net amount recognized in the statement of profit and loss for the year ended 31st March is as follows:		
Current service cost	667,334	519,188

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amounts in Indian ₹)

	Gratuity Plan 2014-2015	Gratuity Plan 2013-2014
Interest cost	480,387	284,124
Expected return on plan assets	(376,521)	(280,031)
Net actuarial loss / (gain) recognized	813,488	1,716,343
<b>Net amount recognized</b>	<b>1,584,688</b>	<b>2,239,624</b>
<b>The principal actuarial assumptions used as at 31st March are as follows:</b>		
<b>Discount Rate</b>	8%	8%
<b>Expected rate of return on plan assets</b>	8%	8%
<b>Rate of increase in compensation levels</b>	7%	7%

### 30. Disclosures pursuant to clause 32 of the Equity Listing Agreement and Section 186 of the Companies Act, 2013

Loans to the subsidiaries	Acrysil GmbH – Germany		Acrysil Steel Limited		Acrysil UK Limited- UK	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Balance at the year end	12,594,464	14,600,894	34,556,428	30,000,000	21,155,453	-
Maximum amount outstanding at any time during the year	14,600,894	14,600,894	34,556,428	30,000,000	21,155,453	-

All the above loans were utilized towards working capital requirements.

### 31. Related Party Disclosures:

#### Associates

Acrycol Minerals Limited  
Meccanica Plast Private Limited

#### Key Managerial Personnel & Relatives

Mr. Ashwin M Parekh  
Mr. Chirag A Parekh  
Mr. Damodar Sejpal

#### Subsidiary Companies

Acrysil Appliances Limited  
Acrysil GmbH - Germany  
Acrysil Steel Limited  
Acrysil UK Limited - UK  
Home Style Products Limited – UK (a step-down subsidiary)  
Sternhagen Bath Private Limited

Particulars	Associates	Key Managerial Personnel and Relatives	Subsidiaries
(a) Remuneration	—	10,021,276	—
	(-)	(10,051,065)	(-)
(b) Professional Fees	-	2,880,000	—
	(-)	(1,200,000)	(-)
(c) Commission	—	—	9,899,242
	(-)	(-)	(7,324,219)
(d) Loan granted	—	—	20,609,720
	(-)	(-)	(26,616,523)
(e) Interest Received	—	—	5,978,215
	(-)	(-)	(2,008,258)

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Transactions with Related Parties: (contd.)**

Particulars	Associates	Key Managerial Personnel and Relatives	Subsidiaries
(f) Sales	—	—	<b>8,042,992</b>
	(—)	(—)	(80,693)
(g) Purchases	<b>68,896,740</b>	—	<b>77,785,202</b>
	(42,222,915)	(—)	(75,414,726)
(h) Job Work Charges	—	—	<b>2,457,334</b>
	(—)	(—)	(3,333,075)
(i) Loan taken	—	<b>45,000,000</b>	—
	(—)	(—)	(10,000,000)
(j) <b>Outstanding Balances :</b>			
Long term Loans & Advances	—	—	<b>68,306,345</b>
	(—)	(—)	(44,600,894)
Short-term Loan & Advances	<b>359,958</b>	—	<b>834,576</b>
	(359,958)	(-)	(1,629,228)
Trade receivables	—	—	5,727,362
	(—)	(—)	(—)
Trade Payables	<b>8,228,896</b>	—	<b>5,325,425</b>
	(4,604,612)	(—)	(5,499,905)
Long-terms borrowing	—	<b>45,000,000</b>	—
	(—)	(—)	(—)
Short-terms Borrowings	(—)	(—)	<b>10,000,000</b>
	(—)	(—)	(10,000,000)
Advance from customers	(—)	(—)	<b>10,317</b>
	(—)	(—)	(121,605)
Trade advance to suppliers	(—)	(—)	<b>1,090,606</b>
	(—)	(—)	(11,735)

**32. Additional information (as certified by the management)  
Opening and Closing Stock of Finished and Traded Goods**

Class of Goods	Opening Stock	Closing Stock
<b>I Finished Goods :</b>		
Kitchen Sinks	35,655,714	48,814,824
	(27,735,772)	(35,655,714)
<b>II Traded Goods and Accessories :</b>	82,501,561	50,543,151
	(36,187,519)	(82,501,561)

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### Sales

Class of Goods	2014-2015	2013-2014
<b>Manufactured Goods:</b>		
Kitchen Sinks	1,032,789,557	907,322,192
Traded Goods & Accessories	160,068,696	129,051,009
<b>Total....</b>	<b>1,192,858,253</b>	<b>1,036,373,201</b>

### Raw Material Consumed

Raw Materials	2014-2015	2013-2014
Coated Silica/Granucol	93,779,816	92,365,413
Polymethyl Methacrylate	33,216,483	29,487,275
Methyl Methacrylate	1,13,484,837	99,827,731
Colour Pigments	8,624,038	7,864,146
Others	30,286,148	27,985,171
<b>Total....</b>	<b>279,391,322</b>	<b>257,529,736</b>

### Consumption of Raw Materials and Other Components

	2014-2015	%	2013-2014	%
<b>Raw Materials :</b>				
Imported	183,136,108	65.55	193,034,390	74.96
Indigenous	96,255,214	34.45	64,495,346	25.04
	<b>279,391,322</b>	<b>100.00</b>	<b>257,529,736</b>	<b>100.00</b>
<b>Bought out items and Components</b>				
Accessories Imported	52,439,069	72.70	50,606,685	74.42
Accessories Indian	19,694,697	27.30	17,395,478	25.58
	<b>72,133,766</b>	<b>100.00</b>	<b>68,002,163</b>	<b>100.00</b>

### Value of Imports on C.I.F. basis

Particulars	2014-2015	2013-2014
Raw Materials	183,800,520	182,392,600
Packing Material	320,562	855,015
Components and Spare Parts (Accessories)	52,667,712	50,643,863
Traded Goods		
Stainless Steel Sinks	2,400,239	2,478,905
Foodwaste Disposers	843,885	5,923,318
Faucets	4,866,523	3,472,856
Hood Hob Chimney	21,069,262	76,589,968
Capital Goods	54,524,870	44,789,261

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Expenditure in Foreign Currency (on accrual basis)**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Foreign travelling expenses	5,389,006	5,970,434
Advertisement & sales promotion	1,110,392	3,295,541
Sales discount & commission	11,216,542	8,817,453
Legal & professional fees	356,828	1,185,361
Others	745,387	1,014,064

**Earnings in Foreign Exchange**

<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
FOB value of Exports	823,989,603	739,883,826

**33.** Figures in the brackets are the figures for the previous year, unless otherwise stated.

**34.** All the amounts are stated in Indian Rupees, unless otherwise stated.

**35.** Previous year's figures are regrouped and rearranged, wherever necessary.

**Signatures to Notes 1 to 35****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**For SANGHAVI & COMPANY**

FRN: 109099W

Chartered Accountants

**MANOJ GANATRA**

Partner

Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**

Company Secretary

Mumbai, May 23, 2015

**C. A. PAREKH**

(DIN: 00298807)

Chairman & Managing Director

**J. R. NAIK**

(DIN: 00030172)

Director

CONSOLIDATED  
FINANCIAL  
STATEMENTS

## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To  
**The Board of Directors of  
ACRYSIL LIMITED**

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 31<sup>st</sup> March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of the Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2015 and of the consolidated profit and its consolidated cash flows for the year ended on that date.

### **Other Matters**

We did not audit the financial statements of three (previous year: one) overseas subsidiaries, whose financial statements reflect total assets of ₹ 387,322,107 (1,276,272) as at the balance sheet date and total revenues of ₹ 88,565,611 (6,968,012) for the year.

These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors.

#### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, based on the comments in the Auditors' Report of the Holding Company and its subsidiaries incorporated in India, we give in the Annexure a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the directors of the Group is disqualified as on 31<sup>st</sup> March 2015, from being appointed as a director in terms section 164(2) of the Act;
  - f) With respect to the other matters to be included in the Auditors' 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 Group has disclosed the impact of pending litigations on its financial position under Note No. 26 of the financial statements;
    - 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 and its subsidiaries incorporated in India.

**For SANGHAVI & COMPANY**  
Chartered Accountants  
FRN: 109099W

Mumbai  
May 23, 2015

**MANOJ GANATRA**  
**Partner**  
Membership No. 043485

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the order includes three subsidiaries incorporated in India, to which the Order is applicable.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of fixed assets of the Holding Company and its subsidiaries incorporated in India:
  - a. The respective entities have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified by the management of the respective entities at reasonable intervals in a phased manner in accordance with a programme of physical verification. No discrepancies were noticed on such verification.
- 2 In respect of inventories of the Holding Company and its subsidiaries incorporated in India:
  - a. The inventories were physically verified by the management of the respective entities at reasonable intervals during the year.
  - b. The procedures of physical verification of inventories followed by the management of the respective entities are reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - c. The respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification carried out by the management of the respective entities.
- 3 The Holding Company and its subsidiaries incorporated in India, on a consolidated basis, have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained by the respective entities under section 189 of the Companies Act, 2013.
- 4 There are adequate internal control procedures in the Holding Company and its subsidiaries incorporated in India commensurate with the size of the respective entities and the nature of their business with regard to purchase of inventory and fixed assets and for the sale of goods and services except for certain functional areas in the Holding Company where internal control procedures need to be strengthened. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5 The Holding Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Subsidiaries incorporated in India have not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder.
- 6 We have broadly reviewed the cost records maintained by the Holding Company and its subsidiaries, wherever applicable, pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues of the Holding Company and its subsidiaries incorporated in India:
  - a. The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable by the respective entities.
  - b. There are no amounts outstanding, which have not been deposited on account of dispute.
  - c. The amounts required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder have been transferred to such fund within time by the respective entities, wherever applicable..
- 8 The Holding Company and its subsidiaries do not have any consolidated accumulated losses as at the end of the financial year and

have not incurred cash losses on a consolidated basis during the current as well as in the immediately preceding financial year.

- 9 The Holding Company and its subsidiaries incorporated in India have not defaulted in repayment of dues to banks. None of the companies has obtained any borrowings from any financial institutions or by way of debentures.
- 10 The Holding Company and its subsidiaries incorporated in India, on a consolidated basis, have not given any guarantees for loans taken by others from bank and financial institutions.
- 11 Terms loans obtained, wherever applicable, by the Holding Company and its subsidiaries incorporated in India have been applied for the purpose for which they were obtained.
- 12 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Holding Company and its subsidiaries incorporated in India was noticed or reported during the year.

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

Mumbai  
May 23, 2015

**MANOJ GANATRA**

**Partner**

Membership No. 043485

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	Note No.	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	46,580,000		45,080,000	
Reserves and Surplus	3	370,023,846		290,954,157	
Money received against Share Warrants		-	416,603,846	3,750,000	339,784,157
<b>Minority Interest</b>			<b>27,061,912</b>		<b>2,438,374</b>
<b>Non-Current Liabilities</b>					
Long-term Borrowings	4	266,372,554		109,719,145	
Deferred Tax Liabilities (Net)		18,349,089		8,590,000	
Long-term Provisions	5	1,363,388	286,085,031	769,307	119,078,452
<b>Current Liabilities</b>					
Short-term Borrowings	6	383,477,943		232,542,729	
Trade Payables		159,962,995		149,899,955	
Other Current Liabilities	7	130,740,833		88,638,765	
Short-term Provisions	8	62,540,196	736,721,967	33,583,104	504,664,553
<b>Total...</b>			<b>1,466,472,756</b>		<b>965,965,536</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets	9				
Tangible Assets		400,176,220		345,544,811	
Intangible Assets		4,486,576		3,315,397	
Capital Work-in-Progress		37,195,451		19,566,305	
		441,858,247		368,426,513	
Goodwill from Consolidations		177,352,889		-	
Non-current Investments		-		-	
Long-term Loans and Advances	10	23,344,806		26,192,944	
Other Non-current Assets		-	642,555,942	-	394,619,457
<b>Current Assets</b>					
Current Investments		-		-	
Inventories	11	317,772,618		235,535,068	
Trade Receivables	12	323,512,262		249,687,521	
Cash and Bank Balances	13	66,862,526		24,125,742	
Short-term Loans and Advances	14	115,769,408		61,997,748	
Other Current Assets		-	823,916,814	-	571,346,079
<b>Total...</b>			<b>1,466,472,756</b>		<b>965,965,536</b>

The accompanying notes 1 to 30 are an integral part of these financial statements.

As per our report of even date

For **SANGHAVI & COMPANY**

FRN: 109099W

Chartered Accountants

**MANOJ GANATRA**

Partner

Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**

Company Secretary

Mumbai, May 23, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**C. A. PAREKH**

(DIN: 00298807)

Chairman & Managing Director

**J. R. NAIK**

(DIN: 00030172)

Director

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	Note No.	2014-2015	2013-2014
<b>REVENUE</b>			
Revenue from Operations (Gross)	15	1,298,560,906	1,086,353,498
Less : Excise Duty		27,521,146	21,746,801
Revenue from Operations (Net)		1,271,039,760	1,064,606,697
Other Income	16	6,873,486	6,476,447
Total Revenue		1,277,913,246	1,071,083,144
<b>EXPENSES</b>			
Cost of Materials Consumed	17	407,944,464	378,355,737
Purchases of Stock-in-Trade		146,545,362	97,821,389
Changes in Inventories	18	(68,966,103)	(58,893,567)
Employee Benefits Expenses	19	104,370,829	82,035,866
Finance Costs	20	67,974,874	40,220,886
Depreciation and Amortization		42,668,244	48,169,782
Other Expenses	21	445,726,550	379,774,127
Total Expenses		1,146,264,220	967,484,220
<b>Profit before exceptional and extraordinary items and tax</b>		131,649,026	103,598,924
Exceptional Items		-	-
Extraordinary Items		-	-
<b>Profit Before Tax</b>		131,649,026	103,598,924
Tax Expenses			
Current tax		40,589,222	34,216,272
MAT credit entitlement		(9,084,144)	(11,916,272)
Earlier Years' Tax		112,670	182,632
Deferred Tax		9,933,674	3,718,000
		41,551,422	26,200,632
<b>Net Profit for the year</b>		90,097,604	77,398,292
Minority Interest		(2,787,530)	(171,450)
<b>Net Profit for the year</b>		87,310,074	77,226,842
Face Value per Equity Share		10.00	10.00
Earnings per Equity Share			
Basic		18.88	17.29
Diluted		18.88	17.08

The accompanying notes 1 to 30 are an integral part of these financial statements.

As per our report of even date

For **SANGHAVI & COMPANY**

FRN: 109099W

Chartered Accountants

**MANOJ GANATRA**

Partner

Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**

Company Secretary

Mumbai, May 23, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**C. A. PAREKH**

(DIN: 00298807)

Chairman & Managing Director

**J. R. NAIK**

(DIN: 00030172)

Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in lacs)

	2014-2015	2013-2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	1,316.49	1,035.99
Adjustments for -		
Depreciation and amortization	426.68	481.70
Provision for doubtful debts	-	7.29
Exchange rate adjustments (net)	21.59	(36.81)
Loss / (Profit) on sale of assets	(1.18)	(8.32)
Interest	546.76	169.21
	993.85	613.07
Operating Profit Before Working Capital Changes	2,310.34	1,649.06
Adjustments for -		
Trade and other receivables	(1,250.32)	(647.36)
Inventories	(822.38)	(679.34)
Trade and other payables	524.01	541.32
	(1,548.69)	(785.38)
Cash Generated From Operations	761.65	863.68
Direct taxes paid	(77.24)	(291.42)
	(77.24)	(291.42)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	684.41	572.26
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,178.77)	(1,019.35)
Purchase of investments	(1,555.17)	-
Sale of fixed assets	7.26	69.05
Interest received	8.95	8.59
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(2,717.73)	(941.71)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	112.50	50.00
Proceeds from issuance of share warrants	-	37.50
Proceeds from loans borrowed (net)	3,075.89	612.46
Interest paid	(555.71)	(177.80)
Dividend paid	(174.83)	(143.21)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	2,457.85	378.95
<b>Net Increase in Cash and Cash Equivalents</b>	424.53	9.50
Cash and cash equivalents as at beginning of the year	128.43	118.93
Cash and cash equivalents as at end of the year	552.96	128.43
<b>Cash and Cash Equivalents:</b>		
Cash and Bank Balances	668.63	241.25
Statutory restricted accounts	(115.67)	(112.82)
	552.96	128.43

As per our report of even date

For **SANGHAVI & COMPANY**  
FRN: 109099W  
Chartered Accountants

**MANOJ GANATRA**  
Partner  
Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**  
Company Secretary

Mumbai, May 23, 2015

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**C. A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

**J. R. NAIK**  
(DIN: 00030172)  
Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**SIGNIFICANT ACCOUNTING POLICIES****BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

The consolidated financial statements relate to Acrysil Limited (“the Company”) and its subsidiaries (collectively referred to as “the Acrysil Group”).

The Financial Statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India and are based on historical cost convention on an accrual basis.

The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the parent company, i.e. year ended 31st March 2015.

The consolidated financial statements present the consolidated accounts of the Company along with its following subsidiaries:

		Proportion of Ownership Interest as at 31st March 2015
1	Acrysil Steel Limited	93.84%
2	Sternhagen Bath Private Limited	84.90%
3	Acrysil Appliances Limited	100.00%
4	Acrysil GmbH, Germany	100.00%
5	Acrysil UK Limited - United Kingdom	100.00%
6	Home Style Products Limited - UK (a step-down subsidiary)	74.00%

**PRINCIPLES OF CONSOLIDATION**

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of the assets, liabilities, income and expenses, after fully eliminating there from intra-group balances and intra-group transactions as per Accounting Standard (AS) - 21 “Consolidated Financial Statements”. Intra group balances and intra group transactions and unrealized profits are eliminated in full.

The financial statements of the Company and its subsidiary companies have been consolidated using uniform account policies for like transactions and other events in similar circumstances.

The difference between the cost of investment in the subsidiaries, and the Company’s share of net assets at the time of acquisition of share in the subsidiaries is recognized in the financial statement as Goodwill. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company’s shareholders.

Minority interest in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
- (b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.

Minority interest’s share of net profit/(loss) for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the Acrysil Group.

The Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financial statements.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

### FIXED ASSETS

All tangible assets are stated at cost less depreciation. All the costs incurred till the date the assets are put to use, have been capitalized and included in the cost of the respective assets. Depreciation is provided on Written Down Value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

Assets of foreign subsidiary company are depreciated over the estimated useful life of the respective assets.

### INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials, traded goods and stores and spares - on a first-in first-out (FIFO) basis;

Finished and semi-finished goods - at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty.

### REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

### EXCISE AND CUSTOM DUTY

Excise duty in respect of goods manufactured is, according to the method consistently followed, accounted for at the time of removal of goods from the factory for sale.

However, excise duty payable on the closing stock of finished goods is provided for in the accounts. Purchases of goods and fixed assets are accounted for net of excise cenvat credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

### EMPLOYEE BENEFITS

#### Post-employment benefit plans

- i. **Defined Contribution Plan:** Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the Acrysil Group is made in accordance with the scheme with Life Insurance Corporation of India.
- ii. **Defined Benefit Plan:** The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss statement for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

### SHORT-TERM EMPLOYEE BENEFITS

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

### FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit and loss account. Current assets and liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit and loss statement.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2015****BORROWING COSTS**

Net costs of borrowed funds for the projects are capitalized and included in the cost of fixed assets till its completion and other borrowing costs are recognized as expenses in the period in which they are incurred.

**TAXATION**

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**EARNING PER SHARE**

Basic Earning Per Share (EPS) is computed by dividing the net profit for the year attributable to the equity shareholders, by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted number of equity and dilutive equity equivalent shares outstanding at the year-end.

**PROVISION AND CONTINGENCIES**

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2015**Note No. 2****2.1 Share Capital**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>Authorised</b>		
5,000,000 Equity Shares of ₹ 10 each	50,000,000	50,000,000
	50,000,000	50,000,000
<b>Issued, Subscribed and Paid up</b>		
4,658,000 (4,508,000) Equity Shares of ₹ 10 each	46,580,000	45,080,000
	46,580,000	45,080,000

a. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding five years: 1,486,000

**2.2 Share Capital Reconciliation**

Particulars	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	4,508,000	45,080,000	4,458,000	44,580,000
Shares issued during the year	150,000	1,500,000	50,000	500,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,658,000	46,580,000	4,508,000	45,080,000

**2.3 Shares held by each Shareholder holding more than five per cent shares**

Name of Shareholder	31 <sup>st</sup> March, 2015		31 <sup>st</sup> March, 2014	
	No. of shares	% of holding	No. of shares	% of holding
Chirag A Parekh	1,660,946	35.66%	1,735,946	38.51%
Schock & Co GmbH	452,400	9.71%	452,400	10.03%
Piyush Vrajlal Mehta	246,932	5.30%	295,350	6.55%

**2.4 Rights, Preferences and Restrictions attached to Shares:****Equity Shares**

The Company has one class of equity shares having a face value of ₹10 each ranking *Pari Passu* in all respects including voting rights and entitlement to dividend.

**Note No. 3****Reserves and Surplus**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>a. Capital Reserve</b>	2,519,500	2,519,500
<b>b. Securities Premium Account</b>		
Balance at the beginning of the year	4,500,000	-
Additions during the year	13,500,000	4,500,000
Balance at the end of the year	18,000,000	4,500,000
<b>c. Foreign Currency Translation Reserve</b>	(2,620,511)	(4,780,176)
<b>d. General Reserve</b>		
Balance at the beginning of the year	250,000,000	230,000,000
Adjustment on account of depreciation (Refer Note No. 25)	(773,043)	-
Short provision in earlier year for dividend and dividend tax	(701,970)	-
Transfer from surplus	31,435,030	20,000,000
Balance at the end of the year	279,960,017	250,000,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>e. Surplus</b>		
Balance at the beginning of the year	38,714,833	2,584,530
Net Profit for the year	87,310,074	77,226,842
Transfer to general reserve	(31,435,030)	(20,000,000)
Proposed dividend	(18,632,000)	(18,032,000)
Corporate dividend tax	(3,793,037)	(3,064,539)
Balance at the end of the year	72,164,840	38,714,833
	<b>370,023,846</b>	<b>290,954,157</b>

**Note No. 4****Long Term Borrowings**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>a. Secured</b>		
Term Loans from Banks (Indian rupee accounts)	221,372,554	67,899,145
	<b>221,372,554</b>	<b>67,899,145</b>
Period of default	NA	
Amount	Nil	
<b>b. Unsecured</b>		
From Director	45,000,000	-
From Shareholders	-	420,000
From Others	-	41,400,000
	<b>45,000,000</b>	<b>41,820,000</b>
	<b>266,372,554</b>	<b>109,719,145</b>

**Note No. 5****Long Term Provision**

(Amounts in Indian ₹)

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Provision for Leave Encashment	1,363,388	769,307
	<b>1,363,388</b>	<b>769,307</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 6****Short Term Borrowings**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
<b>a. Secured</b>		
Working capital finance from banks (Indian rupee accounts)	248,500,618	232,542,729
Working capital finance from banks (Foreign currency accounts)	134,977,325	-
	<u>383,477,943</u>	<u>232,542,729</u>
<b>b. Unsecured</b>		
	-	-
	-	-
	<u>383,477,943</u>	<u>232,542,729</u>

**Note No. 7****Other Current Liabilities**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
Current Maturities of Long-term Debt	79,599,475	49,502,854
Interest accrued but not due on Borrowings	-	1,845,082
Advances from Customers	14,868,929	13,611,375
Statutory Liabilities	9,118,866	4,572,670
Unclaimed Dividends	3,181,511	2,632,624
Other Liabilities	23,972,052	16,474,160
	<u>130,740,833</u>	<u>88,638,765</u>

**Note No. 8****Short Term Provisions**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
Provision for Bonus	1,093,093	929,527
Provision for Leave Encashment	111,579	85,187
Provision for Income Tax (Net of Payments)	38,910,487	11,471,851
Proposed Dividend	18,632,000	18,032,000
Corporate Dividend Tax	3,793,037	3,064,539
	<u>62,540,196</u>	<u>33,583,104</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2015**Note No. 9****Fixed Assets**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION					NET BLOCK	
	As at 1 <sup>st</sup> April, 2014 (₹)	Additions (₹)	Deductions (₹)	As at 31 <sup>st</sup> March, 2015 (₹)	As at 1 <sup>st</sup> April, 2014 (₹)	Depreciation For the Year (₹)	On Deductions (₹)	On Adjustment (₹)	As at 31 <sup>st</sup> March, 2015 (₹)	As at 31 <sup>st</sup> March, 2014 (₹)
<b>Tangible Assets</b>										
Freehold Land	27,088,148	19,275,800	-	46,363,948	-	-	-	-	46,363,948	27,088,148
Buildings	109,391,382	3,470,997	-	112,862,379	17,451,753	3,103,988	-	-	20,555,741	91,939,629
Plant & Equipment	142,989,409	8,947,550	-	151,936,959	60,855,485	14,123,019	-	252,586	75,231,090	82,133,924
Moulds and Dies	278,863,388	47,187,724	-	326,051,112	168,434,736	15,084,777	-	6,970	183,526,483	110,428,652
Vehicles	21,082,299	12,924,346	2,552,638	31,454,007	11,437,271	3,990,606	1,944,698	570	13,483,749	9,645,028
Furniture & Fixtures	25,584,859	2,143,828	-	27,728,687	9,454,494	2,049,954	-	42,325	11,546,773	16,130,365
Office Equipment	19,300,328	4,346,642	-	23,646,970	11,121,263	3,537,313	-	865,430	15,524,006	8,179,065
	624,299,813	98,296,887	2,552,638	720,044,062	278,755,002	41,889,657	1,944,698	1,167,881	319,867,842	345,544,811
<b>Intangible Assets</b>										
Computer Software	6,432,733	129,525	-	6,562,258	3,117,336	596,379	-	1,836	3,715,551	3,315,397
Design & Property Right	-	1,822,077	-	1,822,077	-	182,208	-	-	182,208	-
	6,432,733	1,951,602	-	8,384,335	3,117,336	778,587	-	1,836	3,897,759	3,315,397
<b>Total</b>	630,732,546	100,248,489	2,552,638	728,428,397	281,872,338	42,668,244	1,944,698	1,169,717	323,765,601	348,860,208
Previous year	553,921,979	83,015,580	6,205,013	630,732,546	233,834,593	48,169,782	132,037	-	281,872,338	320,087,386

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 10****Long-term Loans and Advances**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
Unsecured (Considered Good)		
Capital Advances	16,912,647	23,887,757
Security Deposits	6,432,159	2,305,187
Other Loans and Advances	-	-
	<b>23,344,806</b>	<b>26,192,944</b>

**Note No. 11****Inventories**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
(Valued at lower of cost or net realisable value)		
Raw Materials	46,884,900	46,971,253
Work-in-Progress	49,113,041	19,639,707
Finished Goods	57,164,677	44,095,502
Stock-in-Trade	106,844,799	80,421,205
Bought out Items	29,503,128	27,267,125
Stores & Spares	8,855,980	3,898,591
Packing Materials	19,406,093	13,241,685
	<b>317,772,618</b>	<b>235,535,068</b>

**Note No. 12****Trade Receivables**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
Unsecured (Considered good, unless otherwise stated)		
Over Six Months	23,122,649	15,347,041
Others	301,119,037	235,069,904
	324,241,686	250,416,945
less: Provision for Doubtful Debts	729,424	729,424
	<b>323,512,262</b>	<b>249,687,521</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 13****Cash and Bank Balances**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
<b>I. Cash and Cash Equivalents</b>		
a. Balances with Banks:		
Current Accounts	56,651,269	10,970,765
Short term Deposits	1,901,700	4,630,062
	58,552,969	15,600,827
b. Cash on Hand	1,825,835	1,872,541
	60,378,804	17,473,368
<b>II. Other Bank Balances</b>		
Dividend Accounts	3,181,510	2,632,624
Terms Deposits with more than 12 months Maturity	3,302,212	-
Other terms Deposits	-	4,019,750
	6,483,722	6,652,374
	66,862,526	24,125,742

Term deposits of ₹ 8,385,422 (11,282,436) are under lien with banks against various credit facilities and excise authorities

**Note No. 14****Short-term Loans and Advances**

(Amounts in Indian ₹)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2015</b>	<b>31<sup>st</sup> March, 2014</b>
Unsecured (Considered Good)		
Trade Advances to Suppliers	24,528,920	7,249,740
Loans and Advances to Staff	2,568,089	1,914,364
(Including officers of the Company ₹ 830,883 (₹ 237,789))		
Input Credits Receivable	61,396,336	37,185,495
Prepaid Expenses	5,694,350	3,835,279
Other Loans and Advances	21,581,713	11,812,870
	115,769,408	61,997,748
<b>Trade advances to suppliers include:</b>		
- to a Company in which some of the Director are interested	359,958	359,958

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 15****Revenue from Operations**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Sale of Products</b>				
Export Sales	943,891,117		762,720,851	
Domestic Sales	347,402,207		298,375,382	
		1,291,293,324		1,061,096,233
<b>Other Operating Revenue</b>				
Foreign Currency Fluctuation Gain/(Loss)	(1,281,512)		22,620,274	
Other Operational Income	8,549,094	7,267,582	2,636,991	25,257,265
		1,298,560,906		1,086,353,498

**Note No. 16****Other Income**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Interest Receipts		895,316		859,158
Insurance Claims Receipts		2,464,169		2,103,700
Profit on Sale of Assets		117,883		832,004
Miscellaneous Income		3,396,118		2,681,585
		6,873,486		6,476,447

**Note No. 17****Cost of Materials Consumed**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Raw Materials Consumed</b>				
Opening Stock	46,971,253		44,530,934	
Purchase and Direct Expenses	331,103,368		305,210,717	
		378,074,621		349,741,651
Closing Stock	46,884,900	331,189,721	46,971,253	302,770,398
		331,189,721		302,770,398
Bought Out Items Consumed		76,754,743		75,585,339
		407,944,464		378,355,737

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 18****Changes in Inventories**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Opening Stock				
Finished Goods	44,095,502		30,182,229	
Stock-in-Trade	80,421,205		34,952,261	
Work-in-Progress	19,639,707	144,156,414	20,128,357	85,262,847
Closing Stock				
Finished Goods	57,164,677		44,095,502	
Stock-in-Trade	106,844,799		80,421,205	
Work-in-Progress	49,113,041	213,122,517	19,639,707	144,156,414
		(68,966,103)		(58,893,567)

**Note No. 19****Employee Benefit Expenses**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Salaries, Wages, Allowances and Bonus		93,489,549		70,049,802
Contribution to Employee Benefit Funds		6,377,594		5,736,520
Staff Welfare Expenses		4,503,686		6,249,544
		104,370,829		82,035,866
Includes Director's Remuneration		9,510,358		10,951,065

**Note No. 20****Finance Costs**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
Interest				
Working Capital Finance	30,492,386		19,449,296	
Term Loans	14,100,720		13,193,610	
Others	9,132,586	53,725,692	6,431,104	39,074,010
Other Borrowing Costs		2,358,508		1,146,876
Foreign Currency Fluctuation		11,890,674		-
		67,974,874		40,220,886

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**Note No. 21****Other Expenses**

Particulars	2014-2015		2013-2014	
	( ₹ )		( ₹ )	
<b>Manufacturing Expenses</b>				
Power & Fuel	40,048,990		37,323,687	
Machinery repairs and maintenance	8,532,334		7,354,843	
Packing materials and expenses	107,225,992		87,753,633	
Stores & spares	24,101,898		23,121,982	
Other expenses	36,366,678	216,275,892	29,919,317	185,473,462
<b>Selling and Distribution Expenses</b>				
Sales commission	13,404,854		4,821,358	
Advertisement and sales promotion expenses	31,851,770		35,051,319	
Export freight, insurance and other expenses	64,529,652		53,604,800	
Other selling expenses	9,119,956	118,906,232	8,325,342	101,802,819
<b>Administrative and Other Expenses</b>				
Travelling expenses	30,131,274		28,147,819	
Rent	8,784,844		6,861,928	
Rates and taxes	1,381,981		1,344,699	
Insurance premiums	4,052,635		2,624,712	
Building and other repairs	7,376,252		6,244,889	
Directors' sitting fees	675,000		425,000	
Legal and professional fees	22,497,436		13,988,682	
Postage and telephone expenses	4,956,977		4,615,811	
Printing and stationery expenses	2,164,804		1,994,012	
Payments to auditors	1,566,625		1,425,210	
Bank discount, commission and other charges	8,382,830		8,142,938	
Vehicle expenses	1,613,463		578,470	
Bad debts & provision for bad debts	438,302		729,424	
Donations	230,880		388,585	
Corporate social responsibility expenses	1,694,370		20,000	
Prior period expenses	323,807		969,714	
General expenses	14,272,946	110,544,426	13,995,953	92,497,846
		<u>445,726,550</u>		<u>379,774,127</u>

22. Balances with sundry debtors, sundry creditors and for loans and advances are subject to confirmations from the respective parties.

23. In the opinion of the directors, current assets, loans and advances are of the value stated in the balance sheet, if realised in the normal course of the business and also provisions for all known liabilities have been made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015

24. Deferred tax liabilities of ₹ 9,933,674 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under Income Tax Act, is charged to the Profit & Loss Account. Details of the balance of ₹ 18,349,089 are as under:

Particulars	₹
Depreciation	31,776,462
Disallowances u/s. 43B of the Income Tax Act	(1,261,462)
Business Loss	(12,165,911)
Total	18,349,089

25. Depreciation for the year ended 31st March, 2015 have been aligned to comply with requirements of Part C of Schedule II to the Companies Act, 2013. Consequently, depreciation charge is lower by ₹ 14,141,339/- for the year ended 31st March, 2015. Further, an amount of ₹ 773,043/- (net of deferred tax ₹ 396,673/-) in respect of the fixed assets where the useful lives has already expired, has been adjusted to the opening balance of the general reserve

#### 26. Contingent Liabilities:

- In respect of disputed Excise Duty: ₹ 109,659 (₹ 109,659)
- In respect of disputed Custom Duty ₹ 4,154,490 (₹ 6,231,735)

#### 27. Auditors' Remuneration

	2014-2015	2013-2014
Audit Fees	1,126,675	1,293,710
Tax Audit Fees	65,000	45,000
Other Matters	374,950	86,500

#### 28. Related Party Disclosures

##### Associates

Meccanica Plast Private Limited
Acrycol Minerals Limited

##### Key Managerial Personnel and Relatives

Mr. Shri Ashwin M Parekh
Mr. Shri Chirag A Parekh
Mr. Shri Damodar Sejpal
Smt Shetal C Parekh

##### Transactions with Related Parties

	Associates	Key Managerial Personnel and Relatives
(a) Remuneration	— (—)	10,386,526 (10,951,065)
(b) Professional Fees	— (—)	2,880,000 (1,200,000)
(c) Loans Taken	(—) (—)	45,000,000 (—)
(d) Purchases	68,896,740 (42,222,915)	(—) (—)
(e) Outstanding Balances		
Other Current Liabilities	— (1,430,689)	— (671,467)
Short - term Loan & Advances	359,958 (359,958)	— (—)
Long - terms Borrowing	— (—)	45,000,000 (—)
Trade Payables	8,228,896 (4,604,612)	(—) (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH, 2015**29. Details of Assets and Profits:**

Name of the Entity	Net Assets		Share in Profit/(Loss)	
	As % of consolidated net assets	Amount ₹ in lacs	As % of consolidated net profit	Amount ₹ in lacs
<b>Parent Company:</b>				
Acrysil Limited	112.39	4,682.19	108.56	947.83
<b>Subsidiary Companies:</b>				
Acrysil Steel Limited	9.84	409.53	3.86	33.69
Acrysil Appliances Limited	2.30	95.70	(0.07)	(0.59)
Sternhagen Bath Private Limited	0.17	7.11	(0.09)	(0.80)
Acrysil UK Limited	6.47	269.63	(12.76)	(111.40)
Acrysil Gmbh	(3.46)	(143.95)	(1.91)	(16.69)
Home Style Products Limited	16.39	682.96	9.25	80.75
Eliminations	(44.10)	(1,837.13)	(6.84)	(59.69)
Total...	100.00	4,166.04	100.00	873.10

30. a. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's financial statement.
- b. All the amounts are stated in Indian Rupees, unless otherwise stated.
- c. Previous year's figures have been regrouped and rearranged wherever necessary.

**Signatures to Notes 1 to 30****For SANGHAVI & COMPANY**

FRN: 109099W  
Chartered Accountants

**MANOJ GANATRA**  
Partner  
Membership No. 043485

Mumbai, May 23, 2015

**DAMODAR SEJPAL**  
Company Secretary

Mumbai, May 23, 2015

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**C. A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

**J. R. NAIK**  
(DIN: 00030172)  
Director

## Form AOC-1

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/  
JOINT VENTURES

## Part "A": Subsidiaries

(Amt in ₹)

Sr. No.	Particulars	Details				
		Acrysil Steel Limited	Sternhagen Bath Private Limited (formally known as Acrysil Quartz Private Limited)	Acrysil GmbH, Germany	Acrysil Appliances Limited	Acrysil UK Limited
1	Name of the subsidiary					
2	Reporting period for subsidiary concerned, if different from the holding company's reporting period	March 31,2015	March 31,2015	March 31,2015	March 31,2015	March 31,2015
3	Reporting currency and Exchange rate as on last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	EURO	INR	GBP
4	Share Capital	49,000,000	1,000,000	15,120,000	10,000,000	50,853,092
	Reserves & surplus	(8,047,014)	(288,176)	(29,515,162)	(429,610)	(6,518,620)
6	Total Assets	141,438,228	803,546	1,099,859	10,017,562	308,191,273
7	Total Liabilities	100,485,242	91,722	15,495,021	447,172	263,856,801
8	Investments	-	-	-	-	-
9	Turnover	124,161,807	-	11,796,839	-	64,878,097
10	Profit before taxation	4,545,235	(79,641)	(1,619,010)	(58,823)	(1,848,992)
11	Provision for taxation	1,176,203	-	-	-	3,505,078
12	Profit after taxation	3,369,032	(79,641)	(1,619,010)	(58,823)	(5,354,070)
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	93.84%	84.90%	100%	100%	100%
15	Rupee Equivalent of 1 Unit of Foreign Currency as at March 31, 2015	N.A.	N.A.	74.89	N.A.	94.76

## Part "B": Associates and Joint Venture

Statement Pursuant to section 129(3) of companies act, 2013 related to Associates and Joint Venture

<b>Name of the Associates/Joint Venture</b>	<b>NOT APPLICABLE</b>
<b>1. Latest audited Balance Sheet Date</b>	
<b>2. Shares of Associates/Joint Ventures held by the Company on the year end No.</b>	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
<b>3. Description of how there is significant influence</b>	
<b>4. Reason why the Associates/joint venture is not consolidated</b>	
<b>5. Net worth attributable to shareholding as per latest audited Balance Sheet</b>	
<b>6. Profit/Loss for the year</b>	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**C. A. PAREKH**  
(DIN: 00298807)  
Chairman & Managing Director

**DAMODAR SEJPAL**  
Company Secretary

**J. R. NAIK**  
(DIN: 00030172)  
Director

Mumbai, May 23, 2015

## INFORMATION TO SHAREHOLDERS OF ACRYLIL LIMITED

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the said Fund or the Company for the amounts so transferred nor shall any payment be made in respect of such claim. Members who have not yet encashed their dividend warrant(s) for the financial years 2008-09 to 2013-14, are requested to make their claims without any delay to the Company's Registrar and Transfer Agents, Bigshare Services Pvt. Ltd.

The Company had issued Bonus shares in October, 2012 and fractional shares were sold in the open market and sale proceeds of the same has been distributed to eligible shareholders twice during the year 2013-14.

The unclaimed amount of such sale proceeds will be transferred to IEPF Account on 20.06.2020.

The following table gives information relating to outstanding dividend accounts and the dates by which they need to be transferred:

<b>Financial Year</b>	<b>Date of Declaration</b>	<b>Date of Payment</b>	<b>Date on Which Dividend will Become Part of IEPF</b>
2008-09	31.07.2009	18.08.2009	18.08.2016
2009-10	10.08.2010	30.08.2010	30.08.2017
2010-11	12.08.2011	30.08.2011	30.08.2018
2011-12	15.09.2012	25.09.2012	25.09.2019
2012-13	26.09.2013	10.10.2013	10.10.2020
2013-14	24.09.2014	13.10.2014	13.10.2021

# ACRYSIL LIMITED

(CIN: L26914MH1987PLC042283)

**Registered office:** 704, Centre Point, J.B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059

**Tel.:** 022-66711101/05, **Fax:** 022-66711109,

**Website:** www.carysil.com / www.acrysilcorporateinfo.com, **E-mail ID:** cs.al@acrysil.com

## ATTENDANCE SLIP

28<sup>th</sup> Annual General Meeting, September 25, 2015 at 3.30 p.m.

Name of the Member : \_\_\_\_\_

Folio No./DP/ID NO: \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I certify that I am a registered shareholder / proxy of registered shareholder of the Company. I hereby record my presence at the 28<sup>th</sup> Annual General Meeting of the Company at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400020 held on Friday, September 25, 2015 at 3.30 P.M.

\_\_\_\_\_  
Proxy's Name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

### NOTE:

1. Shareholder / Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.
2. If signed by Proxy, his name Member's / Proxy's Signature should be written here in BLOCK letters.

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# ACRYSIL LIMITED

(CIN: L26914MH1987PLC042283)

**Registered office:** 704, Centre Point, J.B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059

**Tel.:** 022-66711101/05, **Fax:** 022-66711109,

**Website:** www.carysil.com/www.acrysilcorporateinfo.com, **E-mail ID:** cs.al@acrysil.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of member(s): _____
Registered address: _____
Email id : _____
Folio No./Client id: _____ DP ID: _____

I/We being a member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1	Name : _____
	Address : _____
	Email id : _____ Signature: _____

Or failing him:

2	Name : _____
	Address : _____
	Email id : _____ Signature: _____

Or failing him:

3	Name : _____
	Address : _____
	Email id : _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> ANNUAL GENERAL MEETING of the Company to be held at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai - 400020 held on Friday, September 25, 2015 at 3.30 P.M. and at any adjournment thereof in respect of the such resolutions as are indicated below:

No.	RESOLUTION	OPTIONAL	
	ORDINARY BUSINESS	For	Against
1.	Adoption of : a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 including the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and the Auditors thereon; and b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2015, together with the Report of the Auditors' thereon.		
2.	Approval of final dividend of Rs. 4 (40%) per share on equity shares of the Company for the financial year ended March 31, 2015.		
3.	Re-appointment of a Director in place of Mrs. Shetal Chirag Parekh (holding DIN 03018222), who retires by rotation and being eligible, offers herself for re-appointment.		
4.	Ratification of an appointment of M/s Sanghavi & Co., Chartered Accountants, Bhavnagar (Firm Registration No. 109099W) as Auditors and fixing their remuneration.		
	<b>SPECIAL BUSINESS</b>		
5.	Appointment of Mr. Arjun S. Handa as an Independent Director (DIN : 00159413) of the Company		
6.	Ratification of the remuneration to S. K. Rajani & Co., Cost Accountants as the Cost Auditors of the Company		
7.	Adoption of new Articles of Association of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of member (s) \_\_\_\_\_

Signature of proxy holder(s) \_\_\_\_\_

Please affix  
Re. 1/-  
Revenue  
Stamp

**Note:**

1. The Proxy form, in order to be effective, should be completed, duly signed and stamped and must be deposited at the Registered Office of the Company not less than 48 hours before the time for commencement of the aforesaid meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
4. This is only optional. Please indicate your option by putting an 'X' in the appropriate column against the resolutions indicated. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

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**Acrysil Limited**

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