

CARYSIL®

Kitchen Sinks &
Built-in Kitchen Appliances

STERNHAGEN
GERMANY



Brand Building through **Innovation & Technology**

- ▶ BRAND DEVELOPMENT
- ▶ TALENT ACQUISITION
- ▶ GLOBALISATION
- ▶ EXPANSION
- ▶ INNOVATION
- ▶ DIVERSIFICATION

35th
ANNUAL
REPORT
2021-22

What's inside

CORPORATE OVERVIEW

Tribute to Late Shri Ashwin M. Parekh	01
Brand Building through Innovation & Technology	02
Acrysil at a Quick Glance	04
Chairman's Communique	06
Establishing A Global Brand Presence	08
Our Performance Trends	09
Accelerating Progress through Expansion	10
Going GLOCAL, Building Brand	12
Building an Innovative & Tech Savvy Team	14
Building the Blocks through Strategic Acquisitions	16
Innovating & Curating Technology-led Products	18
Integrating Diversification & Innovation towards Becoming Atmanirbhar	20
CSR: Empowering Community	22
Board of Directors	24

STATUTORY REPORTS

Management Discussion and Analysis	26
Corporate Information	32
Notice	33
Directors' Report	49
Corporate Governance Report	74
Business Responsibility Report	98

FINANCIAL STATEMENTS

Standalone	105
Consolidated	153

INVESTOR INFORMATION

CIN

L26914MH1987PLC042283

ISIN

INE482D01024

BSE Code

524091

NSE Symbol

ACRYSIL

Dividend Declared

Total ₹ 2.40/- per Equity Share
(Interim: ₹ 1.20/- per Equity Share &
Final: ₹ 1.20/- per Equity Share)

AGM Date

September 29, 2022

AGM Venue/Mode

Video Conferencing (VC)/ Other Audio -
Visual Means (OAVM)

Please find our online version of
Annual Report at:

[http://www.acrysilcorporateinfo.com/
investor-relations/annual-reports](http://www.acrysilcorporateinfo.com/investor-relations/annual-reports)
or Simply scan the QR code below to
view our 35th Annual report



STERNHAGEN

Tribute to Late **Shri Ashwin M. Parekh**



Late Shri Ashwin M. Parekh was the founder and the Chairman Emeritus of Acrysil. He was the one who established the groundwork for the organisation's illustrious legacy. The Company not only progressed but made a mark globally under his able supervision and guidance. Shri Ashwin M. Parekh was a man with fortitude and foresightedness. He was instrumental in the Company's transformation from a regional player to a globally recognised brand.

The core of his belief revolved around the fact that innovation and customer satisfaction are the heart of the Company's success. He had also initiated Acrysil's dedication to 'Serve and Grow'. Over the course of three decades, Shri Ashwin M. Parekh led the Company to the next level and established the business as a bankable name. Today, we have grown to become a brand with strong association with leading global companies for distribution and marketing of its products.

Born in July 1939, Shri Ashwin M. Parekh hailed from the city of Bhavnagar. He was an entrepreneur with undaunted spirit, wisdom and expertise across various industries.

Shri Ashwin M. Parekh was a visionary and believed in setting benchmarks. His morals indeed motivated the entire team. We pay respect and salute him for his guidance and encouragement that kept intact to our purpose throughout the journey. We strive to stay determined in following his footsteps and traverse the organisation toward its end-goal as foreseen by him.

Chirag A. Parekh

Chairman and Managing Director

Brand Building through **Innovation & Technology**

At Acrysil, innovation is the legacy underpinned by technology and customer-centricity. With each passing day, we are exploring newer ways to create value in a digitally transformed world and stepping-up with shifting customer needs.

Our consistent focus on building brand awareness keeps us aligned to meet the changing lifestyle needs, aspirations and daily kitchen & bath rituals of customers globally. We are consistently nurturing our products with modern technology and nourishing with innovation.

The unwavering efforts and relentless pursuit towards calibrating new products have fostered synergies for a better future.

For us innovation, empowerment and agility are the key enablers to enrich customer experience and enhance brand visibility each day.

We are taking the next leap of launching the brand globally and gearing for the future.



22%

5-year Revenue CAGR

32%

5-year EBITDA CAGR*
(including gain on foreign
exchange)

24%

Return on Capital
Employed in FY2022

52%

5-year PAT CAGR

29%

Return on Equity in
FY2022

23.5%

EBITDA Margin in
FY2022

Acrysil at a **Quick Glance**

@Acrysil is all about #innovation, #lifestyleproducts #comfortconveniencecare #technology #customersatisfaction#Carysil#Sternhagen

At Acrysil, we are driven by our passion to offer ease and elegance through our well-curated Kitchen & Bath lifestyle products, enhancing luxurious living.

We remain aligned to our commitment 'to go beyond customer satisfaction' by bringing enriching lifestyle product choices on the table that are a blend of aesthetics, innovation and technology. This remains constant and integral to our purposeful endeavours, thereby, leading our path towards setting industry benchmarks of innovation and quality.

Our diversified and robust product portfolio comprises Quartz kitchen sinks, Stainless Steel kitchen sinks, faucets, food waste disposers to built-in kitchen appliances such as chimneys, cook-tops, wine chillers, dish washer, built in ovens, micro wave ovens, ice and coffee makers and many more along with bathroom products like WCs, fittings and highlighter tiles among others.

The unparalleled trust gained for the brands 'Carysil' and 'Sternhagen' is a testimony of the uniqueness of our products and our expertise in the domain.

Must know about us

35+

Years of experience and expertise

Global manufacturer of "Composite Quartz Kitchen Sinks" in India with German Technology

10,00,000

Installed Quartz sinks capacity per annum

as on June, 2022

Introduced

PVD technology
in Stainless Steel Sinks

55+ countries

Creating a mark across

1,880+

dealers

as on July, 2022

98+

Galleries

82+

Distributors

539

Employees

**ISO 9001:2015, ISO 14001:2015
ISO 45001: 2018**

Certifications

What we believe in

Vision

To be the leading global player in Kitchen and Bath segment

Mission

To go beyond customer satisfaction by manufacturing high-quality products and providing excellent service

To keep up with the latest trends in technology

To enhance brand awareness by increasing market influence



What drives us



Core Values

- Creativity
- Passion
- Precision
- Diversity



Corporate Values

- Passion for growth
- Speedy execution
- Teamwork
- Customer focus
- Boundaryless organisation
- Creation of shareholders value
- Continuous improvement-innovation, creativity and cost reduction



Behaviour and Principles

- Transparency
- Trust and respect
- Sustainability
- Social responsibility
- Environment friendly
- Empowerment and accountability
- Welfare and safety of employees

Chairman's **Communique**



Our agile business model, pragmatic approach and empowered team gives us the ability to take cautious risks and has enabled us to create long-term value for all our stakeholders despite all odds. We strive for excellence across our financial as well as non-financial performance.

Dear Shareholders,

It gives me immense pleasure to reconnect with you this year. The year has been quite eventful. Mass vaccinations, ease of restrictions and the re-opening post pandemic saw the light of the day. However, the world has continued to remain in uncharted waters witnessing recurrent pandemic waves, geopolitical turmoil, inflationary pressures, climate change issues and their impact across the economies. Despite the tough waters, I'm proud to say that India's inherent strength, vigour and resilience has helped our country, remain one of the fastest growing economies globally. Notwithstanding the external environment, we at Acrysil, continued to make headways towards achieving our goals and ensuring long-term sustainable growth.

Our agile business model, pragmatic approach and empowered team gives us the ability to take cautious risks and has enabled us to create long-term value for all our stakeholders despite all odds. We strive for excellence across our financial as well as non-financial performance. This is showcased through our impressive financial performance for yet another year. Our topline, EBITDA and PAT stood at ₹ 483.90 Crore, ₹ 113.39 Crore and ₹ 65.26 Crore respectively, thereby depicting growth by a commendable rate of 56%, 54% and 66% respectively. Even in the phase of supply chain disruptions, inflationary pressures and uncertainties we have delivered margins in the 20%+ range. Demand for our products has remained strong and our team's undaunted spirit helped in delivering even amidst external headwinds. We are now approaching our medium-term target of ₹ 500 Crore.

BUILDING SYNERGIES

I would like to take this opportunity to inform you that on April 1, 2022, our Company's WOS Acrysil UK Limited has acquired Tickford Orange Limited, holding company of its operating subsidiary Sylmar

Technology Limited. We acquired the Company for an aggregate consideration worth £ 11 Million, which is funded by a mix of both debt and internal accruals. This acquisition will help us build on the combined strengths of both the organisations in unlocking synergies through scale, cross-selling, brand building, entering into complementary product segment and accessing loyal customer base. Most importantly, it will open-up potential export markets thereby creating a distinctive value proposition for all customers, employees, investors and stakeholders.

NURTURING LOCAL, LAUNCHING GLOBAL

Aspirations are inseparable from human emotions. Over the last three decades, we have built a solid foundation, driven by innovation and have created several technology differentiators to offer unique products to our customers. Every action of ours is directed to enrich customer's quality of life and enhance shareholder value. In doing so, we have taken several strategic initiatives during the year to keep the Company positioned for future growth. We have continued to build on our capabilities, drive innovation, invest in branding, expand capacities and pursue exciting growth opportunities throughout the organisation.

Our emphasis on increasing penetration in domestic markets and nurturing localisation has been fruitful by collaborating with a renowned Bollywood celebrity, Ms. Vaani Kapoor, and successfully conducting the campaign **#TheHeartofMyHome** for our brand 'Carysil'. The branding and promotion activities have enhanced the visibility and resulted into tremendous response for our products.

During the year, we also launched our website '**carysilshop.com**', to increase our focus on offering more products through omni-channels. We have also partnered with Amazon and Pepperfry. The response has been phenomenal with sales ticking at double digit growth through online channel and organic route. This has not only improved our brand recall but has

also helped us to reach out to the masses across the country.

We further plan to expand our retail presence significantly. During the current financial year 2022-23 we have added 300+ dealers to our network. Additionally, we are working towards creating a world-class exclusive one-of-its kind experience centre in Gurgaon. The intent is to better interact with customers directly and gauge their aspirations so as to offer them first-hand rejuvenating experience through the live kitchens and demonstration rooms built in our stores.

Acrysil continues to strive to innovate and introduce latest products in the market and establish standards never achieved before. Our endeavour is to make Acrysil an undisputed leader by being a one-stop-brand for kitchen products and reach out to an even wider geography. On the global front we are penetrating deeper into existing markets and spreading wings in new markets with a strong focus on the **GCC countries, UK, France and the US**.

As we leverage on our expertise, our partners leverage on us on our strengths. Our partnership with IKEA has taken another stride. They have doubled their requirement of Composite Quartz Kitchen Sinks for their global supply by adding new moulds following the success of existing ongoing business. Our successful association with Grohe since 2019 for Composite Quartz Sinks and extension of our association with regards to supply of Stainless Steel Sinks is a testament of our commitment towards quality and unique offerings. We have also recently inaugurated a lifestyle experience exclusive store at Dubai which is witnessing strong customer inclination.

STEP TOWARDS ATMANIRBHAR BHARAT

With an aim to make India the manufacturing hub and a preferred alternative destination, we have aligned our strategies on the same lines. The shift in consumer behaviour, rapid urbanisation and changing lifestyles has contributed to the growth of lifestyle aspirational products. To cater to the rising global home improvement market demand, which

is expected to be worth USD 500 Billion by 2028 from USD 334 Billion in 2021 (Source: BlueWeave Consulting), we have not only been adding capacities for the sink segment but also adding new lines for manufacturing new product range in the future.

We have increased our Quartz sink capacity from 5,00,000 units p.a. in 2019 to 10,00,000 units p.a. as on June, 2022 through brownfield route (we closed the financial year 2021-22 with a capacity of 8,40,000 units).

PEOPLE POWER

Human resource is the cornerstone of our organisation. Our team's fortitude has led us to defy all the odds. Values are the guiding force behind our culture, people and actions. They keep everyone aligned to work towards our common goal of ensuring growth and success of the organisation. Our Company's heritage of innovation, growth and value creation over the last 35 years has only been owing to the tireless efforts of our people. During the year, we announced several key leadership appointments. We are creating a proper hierarchy across our domestic and international market to fuel our growth.

CLOSING NOTE

As I conclude, the important takeaway of this financial year is that we are now ready for the next leap. We are aggressively going global, serving our brands to the customers and capitalising on the Indian market. We are confident to deliver on our commitments. Being a responsible corporate citizen, our focus on triple bottomline of ensuring environment stewardship, uplifting communities and progressive growth continues to be the heart of all our values. We would like to thank all our stakeholders, partners, employees, investors, customers for your continued support and faith in us.

Look forward to reconnect next year. Until then, stay safe!

Best Regards

Chirag A. Parekh
Chairman and Managing Director

Establishing A **Global Brand Presence**



- Sales Network
- Global Offices

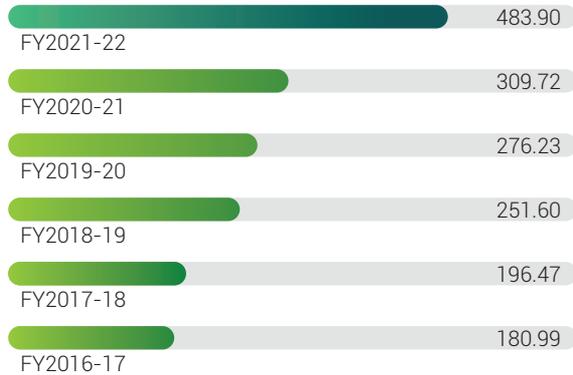
We are building further inroads to penetrate deeper in the existing markets while expanding our geographical presence to newer markets.

The maps used in this document are a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

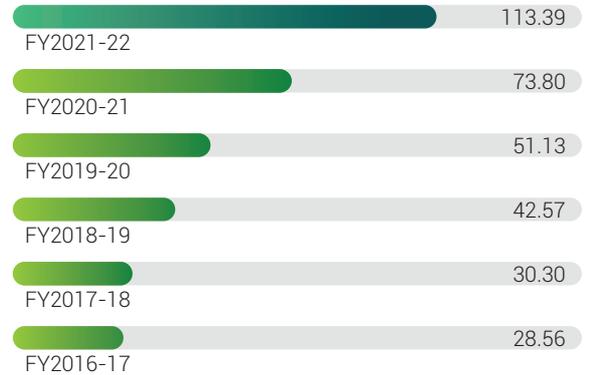
Our Performance Trends

(Consolidated)

Revenue from Operations (₹ in Crore)

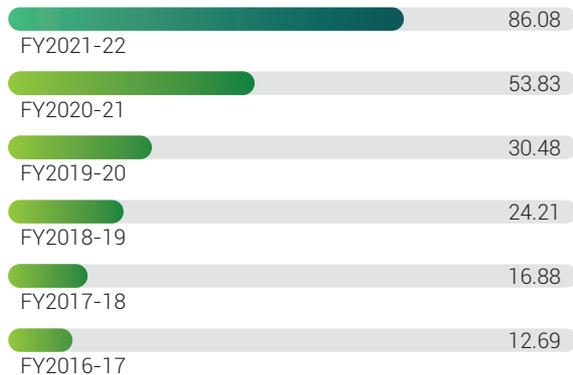


EBITDA (₹ in Crore)*

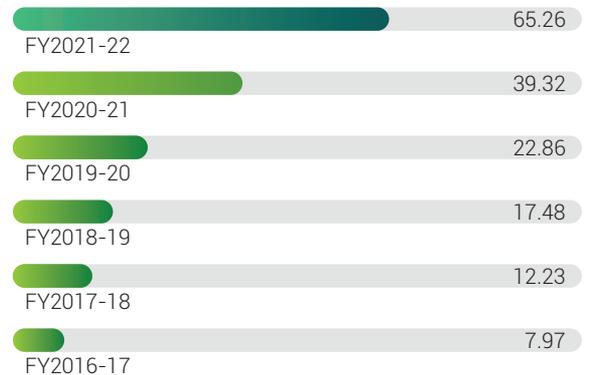


*including gain on foreign exchange

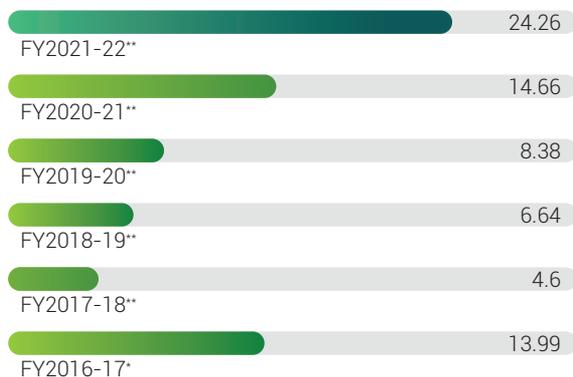
PBT (₹ in Crore)



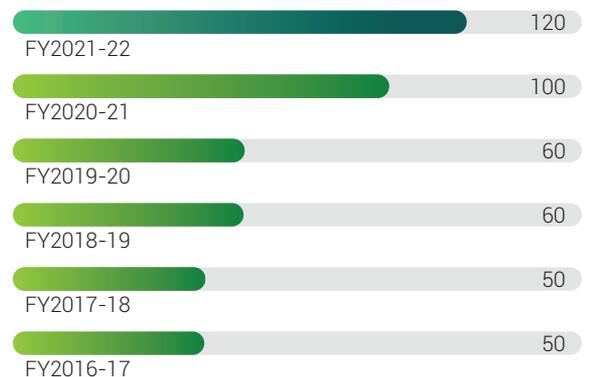
PAT (₹ in Crore)



Earnings Per Share (EPS) (in ₹)



Dividend History (in %)



*Facevalue of ₹ 10/- Per Share ** Facevalue of ₹ 2/- Per Share

Accelerating Progress **through Expansion**

In recent years, the home improvement market segment has been exhibiting a rapid pace of growth. This is majorly driven by changing trends and inclination of consumers toward better aesthetics and need for comfort.

Subsequently, higher emphasis is being placed by the customers on building kitchen and bathroom spaces that would complement their living spaces. Kitchens are perceived as areas of unleashing creativity, and faucets offer pleasing, newer ways of waterflow, while baths are perceived as a form of escape and rejuvenation after a long day.

OUR EXPANSION STRATEGY MAJORLY COMPRISES OF THE FOLLOWING:

- Catering the rising Quartz sinks demand
- Entering into tie-ups with large customers
- Tapping opportunities owing to rise in home renovations, and high replacement demand

CAPACITY ADDITION IN STAINLESS STEEL SINKS

With customers looking for an alternative sourcing hub for meeting a variety of their manufacturing, production and procurement requirements, India has gained the position of a preferred destination. Given such growth prospects owing to huge traction in order inflows from customers worldwide, we are doubling our Stainless steel capacity from 90,000 units p.a. to 1,80,000 units p.a.

CAPACITY EXPANSION OF QUARTZ KITCHEN SINKS

7,00,000

units p.a.

Capacity as of June 2021, including expansion of 100,000 units.

8,40,000

units p.a.

Capacity as of October 2021, including expansion of additional 140,000 units.

1 Million

units p.a.

Capacity as of June 2022, including expansion of additional 1,60,000 units.

Presence in the **Domestic Markets**



Going GLOCAL, **Building Brand**

The most valuable asset of our brand is its recognition and recall.

At Acrysil, we keep customers and their needs at the core of our business. With ever-evolving designs and aesthetics to add a charm to your living space, we strive to serve our commitments better, with each passing day. We draw inspiration from the demands and desires of our customers, to enhance our offerings, which are backed by technology and crafted with utmost care. Our emphasis remains on facilitating comfort and convenience. It's a concoction of functionality and beauty creating a rejuvenating experience for our valued customers.

Unleashing India's growth story

The domestic market is witnessing steady rise in demand. Indian home improvement spending, especially in case of kitchen and bathroom lifestyle products, are on an upward trajectory. Our approach of going GLOCAL – nurturing localisation and launching globalisation allows us to strive for an expansive customer base and product portfolio. We are endeavouring to capitalise on the evolving domestic trends to drive a stronger brand recall thereon.



COLLABORATING WITH YOUTH ICONS FOR ENHANCED BRAND VISIBILITY:

During the fiscal year 2021-22, we initiated our campaign #TheHeartofMyHome in collaboration with youth icon, Ms. Vaani Kapoor. This initiative was led by the objective of enhancing the visibility of our brand 'Carysil'. The association with Ms. Vaani Kapoor will help to strengthen our brand and create a compelling brand recall for lifestyle products among the youth. The campaign showcases a new range of built-in appliances, including coffee makers, signifying cutting edge technology, innovation and design pioneered by Carysil.

INTEGRATING DIGITALISATION:

With 'carysilshop.com', Carysil took the first step towards extending our business to an e-commerce platform. Apart from our website 'carysilshop.com' we are also present on Amazon and have recently got listed on Pepperfry along with a strong engagement on social media. We have seen an encouraging response

with online sales increasing by double digit. Our products right from quartz kitchen sinks, faucets, cooking range, to wine chillers, ice maker and cleaning kits have been perceived very well by the market. Without any significant marketing spends we have seen a substantial improvement in organic sales on the 'carysilshop.com' website. The organic traffic has improved significantly and the flow of enquiry for products have also surged. The initiative has also helped us reach to the mass. Going ahead we plan to launch more and more range of products to serve the market better. We also plan to expand our retail footprint. We are working towards developing exclusive first-of-its-kind experience centre in Gurgaon to establish a better and direct connection with our customer base for improved understanding of their wants. Through our stores, we aim to provide first-hand rejuvenating experience with live kitchens, built-in coffee makers, demonstration rooms and much more.



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COLLABORATION WITH WELL KNOWN INTERIOR DESIGNERS

We have partnered with Ms. Sussanne Khan to launch a premium line of products for our brand '**Sternhagen**'. Further, through our partnership with Ms. Farah Ali Khan, we aim to gauge higher product distinction in terms of its enhanced beauty and style.

PROGRESSING WITH PARTNERSHIPS

Our international tie-ups pave our way towards deeper penetration into the core markets, such as UK, the US, France and Germany, among others. Our tie-ups with large companies, home retailers and big brands like **Kraus and Karren** for their online supplies have paved way for the way for healthy sustainable growth. Further, driven by our strategic tie-ups, we aim to gauge a loyal clientele. The partnerships will continue to act as the catalyst in leveraging market presence and delivering unique products.

Our strategic partnership with IKEA is progressing very well. We cater to their global requirements through our products such as Quartz kitchen sinks. Our industry prominence, collaborations and reach is a testament to our high-quality offering. Going ahead, we remain committed to setting new industry benchmarks all along our growth trajectory.

Our association with **GROHE** has further strengthened last year as we entered a tie-up with them to supply stainless steel kitchen sinks. Our successful association – for Composite Quartz Sinks – with Grohe since 2019, and extension of our association with regards to another product range, is an instance of a fulfilling customer experience at Acrysil & our quality product.

Going ahead we are strategically building our global brand presence. We are on the path to become a one-stop shop for all kitchen and bathroom lifestyle products. In the Australian market, we received significant response as a result of good demand for our products. We have also inaugurated our exclusive showroom in Dubai to offer first-hand experience of our lifestyle products. We strategically plan to expand our presence across GCC countries while fostering collaborations with global designers, experts of the field and plan to launch products in the London Design Center.



Building an Innovative & **Tech Savvy Team**

We believe success comes easy when we prepare ourselves for the uncertainties along the way. Change is constant, and at Acrysil, we recognise and embrace the unavoidable nature of changes.

We equip our team with innovative thinking and foster tech savviness among them to achieve better productivity. We aim to empanel the team with people who can align with our Company's vision, culture and philosophy. By imparting appropriate training and upskilling our team, we help in a stable development and enhancement of our workforce to drive better results and our business to newer heights. Thereby, we constantly endeavour to foster a culture of innovation and ensure the best talent on board.

We have been hiring and welcoming new team members and elevating the existing team to higher levels. We have

appointed Mr. Shrenik Chopra as the Vice President (International Sales). Mr. Julian Annison is the Managing Director of the newly acquired Company Tickford Orange Limited along with its operating subsidiary Company, Sylmar Technology Limited.

The motivation behind our advancement is our people. We are dedicated to provide them with a safe and enabling ecosystem that ensures their well-being and inspires them for innovative thinking and self-development. During the year we have taken various initiatives towards team bonding and team motivating activities like:

- Yoga Day
- Employee welfare policy
- Holi celebration
- Best employee of the month award
- Blood donation camps
- Medical check-ups
- Women's day celebration

Yoga day



Medical check-ups



Holi celebration



Employee welfare policy



Core Team



Anand Sharma
CFO & COO



Neha Poddar
Company Secretary



Manish Thakkar
Sr. VP Operations



Mitesh Chauhan
VP (International Sales)



Shrenik Chopra
VP (International Sales)



Jairaj Nair
VP (Sales & Marketing),
Domestic Business



Rhea Parekh
Creative & Digital
Marketing Head



Pradeep Trivedi
HR - Head



Sayali Raorane
Corporate HR Manager



Ankita Sharma
Head - R & D



Sanjay Biswas
Manager - Product
Development



Charlie Chu
Sales Operations -
China



Marcus Smyth
MD - UK
Operations



Julian Annison
MD - Sylmar
Technology Limited



Louise Carpenter
National Account
Manager - UK



Merle Wigger
Business Development
Sales Head - Germany

 **India Team**

 **International Team**

Building the Blocks through **Strategic Acquisitions**

We recognise the endless ocean of opportunities out there for us to gain the first-mover advantage and add on to our growth trajectory. With a sense of optimism, we seek inspiration for integrating innovation and skills across our products. While we continue to grow organically at a commendable pace, we are also exploring and evaluating avenues for future growth across related segments. Our acquisitions thereon, showcase our zeal to grow and our actions are focused towards meeting our strategic vision.

The years under review also marked our acquisition in UK, approximately after a period of eight years.

ACQUISITION: Acrysil UK Limited, a wholly owned subsidiary of Acrysil Limited, acquired 100% equity shares of Tickford Orange Limited (TOL), UK. TOL is the parent company of its wholly owned subsidiary Sylmar Technology Limited (STL), a manufacturer and distributor of customised high-quality solid surface products for kitchen and bathroom segment. The total consideration of this acquisition worth £11 million is funded by a mix of both debt and internal accruals.

The synergy resulting from our acquisition includes products catering to both domestic and commercial purposes, across the UK market. The manufacturing and distribution facility of STL is centrally located in Alfreton, Derbyshire, UK.

BRANDS: STL has three brands Maia, Minerva and Metis.

MARKET LEADERSHIP: STL is a leading player in the UK solid surface market, with an estimated market share of 35%.

STL SALES: As of 2021, STL's revenues stood at £12 million, while for 2020, it was £11 million. Despite the Covid-19 led pandemic's impact in 2020, STL witnessed profits and benefited from a robust financial base, reflecting its continued growth. The pre-pandemic level of STL's revenue was approximately £14 million for previous two years.

Revenue (Mn GBP)



SYNERGIES:

Long-standing customer relation: STL enjoys strong customer relationships, embracing its association with leading high street names like Selco, Homebase, Hafele, Magnet, Moores, and Fairline, among others. The business' ethos of ensuring high-quality customer service, without compromises enables it to develop long-lasting relationships with large manufacturers.

Cross-selling and brand building: The acquisition will enable Acrysil access to loyal customer base and potential new sales channels, leading to cross-selling opportunities. It will also open up avenues for widening its geographical presence, taking our brands of kitchen and bathroom segment to newer regions.

Entry into complementary product segment: As a result of our acquisition, we entered into a complementary segment of the home improvement products category. Thus, further diversifying our product portfolio.

Access to new technology: STL's fabrication technology of producing countertop seamlessly integrated with sink, is one of its kind. We aspire to bring this concept to the Indian and other developing markets.

Opening up of large export market: The acquisition is a step ahead towards our objective of intensifying our market penetration. It provides us opportunities to intensify our presence in the UK market, along with opening up major export prospects in the European and US markets.

Our strategic acquisitions form an important part of our process towards strengthening our global market position in the lifestyle kitchen and bathroom segment. It is in line with our purpose of establishing ourselves as the leading global player in this segment.

Acrysil Products Limited [APL] (Formerly known as Homestyle Products Limited): APL was acquired by Acrysil UK Limited eight years ago. Since then, the business has been registering strong growth, offering an array of products like quartz sinks, steel sinks, faucets and accessories. Alongside these, we also provide customised solutions to our customers led by our expertise and market understanding. During the year under review, APL's topline stood at 9.7 Million GBP, registering a growth of 49% compared to last year and surpassing the pre-covid levels. Our revenue from Quartz sinks showed stupendous growth of 83% to ₹ 57 Crore.

Revenues (Mn. GBP)

FY 21-22	9.7
FY 20-21	6.5
FY 19-20	7.1
FY 18-19	5.7
FY 17-18	4.5
FY 16-17	3.9

20%+ CAGR

Revenues from Quartz Sink Business (₹ in Crore)

FY 21-22	57.0
FY 20-21	31.2
FY 19-20	31.2
FY 18-19	21.1
FY 17-18	13.0
FY 16-17	6.6

54%+ CAGR



Innovating & Curating **Technology-led Products**

We tackle redundancy and maintain high relevance of our industry presence by fostering a culture of innovation and technology. We keep the customers at the core of our business, to deliver customised lifestyle products and fulfil their wants by enhancing their style of living. We continuously strive to envisage the future and set strategies for achieving growth. Such endeavours have made us the thought leaders in our industry, enabling us to bring in customer delight through our intelligent and smart products.

At Acrysil, we believe that technology serves as a key enabler for better growth prospects. Our focus is on curating modern designs that are aesthetically pleasing and powered by cutting edge technology, backed by innovation and our commitment to provide best-in class superior products to our global customer base. We consistently strengthen our R&D, to sustain the organisation while creating higher stakeholder values.

During the year, we invested in new stainless steel sink technology, enabling us to serve the global demand better and opening opportunities in terms of exports. We use hi-end modern technology to manufacture double bowl steel sinks (with enhanced utility, better aesthetics, less wastage of space and cost efficient). This has helped us create distinctive imprints in the global markets.

Our innovation led R&D has not only helped us to launch trend-defining products but also to tackle supply chain disruptions while ensuring optimal costs.

INTRODUCED TOUCH PANELS



Touch panels in our casting that ensures excellent quality and reduces cycle time.

EFFICIENT WASTE COLLECTION



We have redesigned our sinks to make them more efficient in terms of waste collection.

GOING GREEN



We have upgraded our cleaning technology by involving more greener aspects, made from food grade items.

USE OF NATURAL FIBRES



We are using natural fibres to increase the strength of the sinks.

REGULAR QUALITY CHECK



All the analysis, purity check of all raw materials is conducted regularly ensuring superior quality as per international standards, round the year.



Integrating Diversification & Innovation towards **Becoming Atmanirbhar**

At Acrysil, we recognise the individuality of every customer and their unique choices. We cater these unique choices through our wide array of innovation-led offerings.

We have imbibed in our philosophy, the broader vision of the country to be self-reliant right from raw material procurement to delivery of final products. Aligning with this aim, our Company has increased its focus on in-house manufacturing and create import substitution products.

Global Faucet Market Growth



(Source: <https://www.imarcgroup.com/faucet-market>)

- **FIRST MOVER ADVANTAGE:** We focus on assembling appliances with first mover advantage in products like Chimneys, Hobs, etc.
- **FAUCET ASSEMBLING:** We initiated assembling faucets at our factory premise and plan to manufacture them in-house in near future.
- **CERAMIC SINKS:** Exploring and identifying opportunities in the kitchen ceramic sink space.

Factors driving higher demand for faucet

Rapid urbanisation along with growth in residential sector growth

Demand for luxurious and ergonomically designed faucets

Demand for aesthetically appealing products

Product innovation in the form of touch-free, digital and hybrid smart faucets equipped with efficiency sensors and temperature gauges

Demand for lead free faucets in Global markets

USD 15 billion

Global Hoods Market

6%

CAGR of Global Hoods Market over 2021-2028

Global hoods market

<https://www.gminsights.com/industry-analysis/range-hood-market>

CSR: **Empowering Community**

Our core belief of fostering trust and enhancing community well-being guides us in everything we do. Our Company engages in several community well-being activities. We strive to build an environment that promises for sustainable growth and focuses on programmes in skilling, education, and community development.

DURING THE YEAR WE HAVE UNDERTAKEN VARIOUS ACTIVITIES AS BELOW:

- Providing oxygen concentrators
- Sponsoring the cost for running ambulance in association with a charitable trust
- Donation towards promoting education to the under privileged children
- Donation towards old age homes

Ambulance



ICU Ambulance



ICU Ambulance



Donation Towards Education



Donation of Oxygen Concentrators



Donation Towards Education



Donation given to Dakshinamurti Vidhyarthi Bhavan



Board of Directors



Mr. Chirag A. Parekh

Chairman and Managing Director

- He graduated from European University.
- After joining the Company in 1993, he successfully steered it to become one of the leading brands and increasing the turnover from ₹ 3.5 Crore in 1993 to ₹ 483.90 Crore in 2022.
- He heads the Company as the Managing Director since 2008.



Dr. Sonal V. Ambani

Independent Director

- A Ph.D in business management and an MBA in Marketing and Finance.
- She holds two patents granted in the US, namely, 'Systems and Method for providing Financial Services to children and teenagers' and 'Purchase Management System and Electronic Receipts'.



Mr. Jagdish R. Naik

Independent Director

- A Chartered Accountant, was a partner of a reputed Chartered Accountants firm - M/s. S. V. Ghatalia & Associates during the period from 1983 - 1992. Presently, he advises many companies on corporate matters.
- He is a Corporate Adviser to Excel Industries Limited, Transpek Industry Limited and Agrocel Industries Private Limited.



Mr. Ajit R. Sanghvi

Independent Director

- A Chartered Accountant, has extensive experience in the financial service industry and stock broking.
- He serves as a director of Sterling Consultancy Services Pvt. Ltd., Hrisal Investment Advisors Pvt. Ltd., MSS Securities Pvt. Ltd. And Harileela Investrade Pvt. Ltd.



Mr. Rustam N. Mulla

Independent Director

- An LLB graduate & a Solicitor. He has been involved in a wide spectrum of legal practice for more than two decades.
- He is one of the Founding Partner's at M/s Desai Desai Carrimjee & Mulla (DDCM)- Advocates & Solicitors, Mumbai.
- His core areas of practice: Corporate Law, Real estate, Arbitration & Alternate Dispute, FEMA & Economic, Intellectual Property etc.



Mr. Pradeep H. Gohil

Independent Director

- A highly qualified professional, has been associated with various organisations.
- He is also associated with the Rotary Club, Bhavnagar.
- He has experience in the field of chemical engineering for more than three decades.

Management Discussion and Analysis



Global Economy

The year 2021 was a year of recovery and momentum. The global GDP stood at 6.1% in 2021 against contraction of 3.1% in 2020. The first half of the year witnessed easing of pandemic-related restrictions and lockdowns, as well as the intensified vaccination effort across countries, contributed to the strong recovery. This recovery was further aided by strong consumer spending, timely Government monetary policies and an increase in investments.

Notably the US has been leading from the front in terms of recovery followed by UK witnessing fastest recovery since World War II. Both the advanced and emerging economies witnessed GDP growth of 5.2% and 6.8% in 2021 against contraction of 4.5% and 2% in 2020 respectively. The global trade reached a record high of USD 28.5 trillion in 2021, a 25% rise from the previous year. Trade in services reached USD 1.6 trillion surpassing the pre-pandemic levels.

However, the second half of the year witnessed a lot of headwinds right from resurgence of the Covid variants to disruptions in global supply chain and mounting inflationary pressures. Further, these challenges were aggravated by the invasion of the Russian troops in the Ukrainian territory. Pent-up demand post covid across economies along with geopolitical turbulence have pushed the demand for commodities significantly. 9 out of 22 commodities have seen a surge in price by 50% over the last 12 months. Commodity markets are experiencing one of the largest supply shocks in decades because of the war in Ukraine.

The geopolitical turbulence has overshadowed all the risks to growth both for the global and domestic economics. The global economy is poised to decelerate to 3.2% in 2022 compared to 6.1% in 2021. The humanitarian crisis in the form of war along with rising inflationary pressures and with tightening monetary policies of the central banks on account of hawkish stances is expected to be a dampener of economic growth.

WORLD ECONOMIC OUTLOOK (%)

	Actual	Projections	
	2021	2022	2023
World Output	6.1	3.2	2.9
Advance Economies	5.2	2.5	1.4
United States	5.7	2.3	1.0
Euro Area	5.4	2.6	1.2
Germany	2.9	1.2	0.8
France	6.8	2.3	1.0
Italy	6.6	3.0	0.7
Spain	5.1	4.0	2.0
Japan	1.7	1.7	1.7
United Kingdom	7.4	3.2	0.5
Canada	4.5	3.4	1.8
Other Advance Economies ²	5.1	2.9	2.7
Emerging market and Developing Economies	6.8	3.6	3.9
India*	8.7	7.4	6.1

*For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

Indian Economy

The Indian economy has witnessed a strong resurgence in the FY2021-22. Despite being thronged by the second and third waves of the pandemic, India continues to be the fastest growing economy among the emerging nations. A calibrated opening of the markets, ease of Covid-19 restrictions, higher rate of vaccinations, resumption of contact intensive services and on-going fiscal and monetary policy support have led to the fast-paced recovery.

India's GDP stood at 8.7% in FY2021-22 against contraction of 6.6% in FY2020-21. The Indian economy continues to demonstrate strength and resilience, with key indications pointing to a strong recovery. The growth is fuelled by pent-up demand, stable financial policies, a normal monsoon and Government's infrastructure push. The capital spending for the current fiscal year is expected to be ₹ 7.03 Lakh Crore, up 35% from FY2020-21. The Indian government announced a slew

of package of structural reforms in 2021 to support the self-reliant India programme, including the deregulation of numerous sectors, privatisation, production-linked incentive (PLI) scheme, which would benefit several industries and encourage indigenous production.

(Source: <https://www.cnbcvt18.com/economy/indias-industrial-output-climbs-19-in-march-13462682.htm>)

However, India is equally thronged with challenges arising from supply chain disruptions, surging commodity prices further escalated with the Russia-Ukraine crisis. Higher capital outflows and rising import bills are expected to weigh on the fiscal balance. While there are unpredictable implications of the crisis across the globe. The underlying fundamental of the nation remains strong. The focus and shift towards manufacturing in India, as well as different government incentives such as lower taxes and increased services exports as a result of a greater digitisation and technology will all help to boost growth going forward.

Industry Overview

KITCHEN SINKS SEGMENT

The drive to make houses more attractive and comfortable has fuelled the creation of novel sinks in the recent years. The demand for quartz sinks is buoyant in the USA and the European markets. The pace of growth for Quartz Sinks is higher than that of steel sinks. Heat-resistant, stain resistant and bacteria free are some of the defining qualities of Quartz which offers a unique, easy to maintain, classy to look proposition to the end user.

The necessity for a well-equipped kitchen has surged as an increasing number of individuals now prefer to cook at home for health and other reasons. Kitchen sinks serve a variety of

purposes, and when combined with the latest features and technology, they can be extremely beneficial in modular and smart kitchens. Sinks are available in a variety of sizes, shapes, materials, and brands to meet the varying wants and needs of people all around the world. The global kitchen sink market is valued at USD 3.2 billion in 2021 and is anticipated to register CAGR of 4% over 2021-2025. Of the total global non-Stainless Steel Sink market more than 60% is Quartz sink. Approximately 75% of Quartz Sink are manufactured using the Schock technology. Focus on modernisation, rising per capita income and thriving residential construction activities would boost the demand for the sector.

(<https://www.sawdust.online/news/quartz-kitchen-sinks-becoming-popular-in-the-west/>)



Global Kitchen Sinks Market 2021-2025

Market Growth will ACCELERATE at a CAGR of almost

4%

33%

Growth Contributes by North America

615.84

Incremental growth (\$M)

3.40%

Growth for 2021

The market is

FRAGMENTED

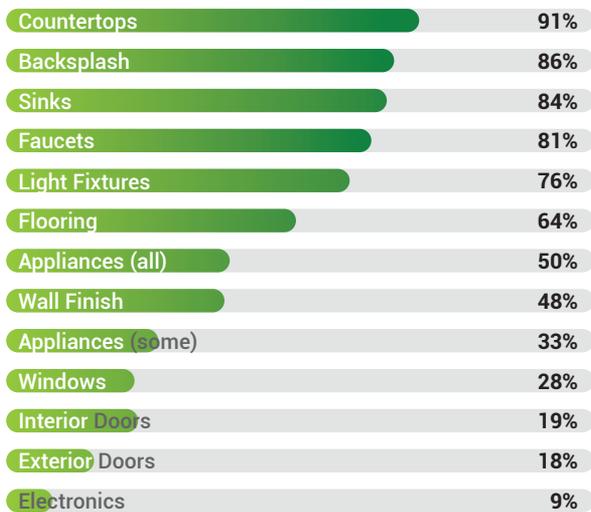
with several player occupying the market

(Source: Technavia) <https://www.prnewswire.com/news-releases/kitchen-sinks-market-size-to-grow-by-usd-615-84-million--residential-segment-to-exhibit-maximum-demand--technavio-301503889.html>

KITCHEN APPLIANCES

Connected homes with technologically advanced appliances and devices are in demand across the globe. Evolving aspirations of people have led to rapidly changing mindsets and rising demand for smart appliances right from smart thermostats, smart lighting to smart cooking. Kitchen being the most quintessential section of household activities offers huge potential for smart devices. The kitchen appliances market is witnessing a CAGR of 6% over 2020-2027 and is expected to reach a market size of USD 378 billion by 2027 (Source: Allied Market Research). (<https://www.alliedmarketresearch.com/kitchen-appliances-market>)

Feature Upgrades During Kitchen Renovations



(<https://www.houzz.com/pro-learn/blog/kitchen-renovation-spend-and-hiring-climb-in-2021-22>)

KEY ENABLERS OF GROWTH

Surge in home improvement spending:

Globally new residential construction activity, rising home sales, and home remodelling is growing at a faster pace. Large discretionary spending is on rise on the back of continued investments towards home improvements and better living. There has been behavioral shift in consumer preferences for both home improvement products with focus on health and hygiene. Perception of spending on home improvement and home solutions has changed with the pandemic as homes have become a hub of people's lives and one finds a new need to improvise and upgrade. Spending on home improvements is expected to rise between 7.6% to 23% in 2022. A recent survey has further added that an average 35% of customer renovations are on bathroom improvement and another 27% are made towards enhancement to their kitchen.

(Source: <https://www.consumeraffairs.com/news/home-improvement-spending-likely-to-rise-this-year-study-finds-032822.html>)

Evolving aspirations:

The concept of Kitchen has evolved over the years more than just a functional room, kitchens are responding to taste, trends and technology faster. From just a space of utility, it now reflects the homeowners lifestyle and aspirations. The ever-changing customer desires and preferences, improving penetration of HoReCa sector, rapidly increasing spend on household renovation, and rising significance of smart kitchens would augment growth.

(Source: <https://www.persistencemarketresearch.com/mediarelease/us-kitchen-sinks-market.asp>)

Rising demand for smart appliances:

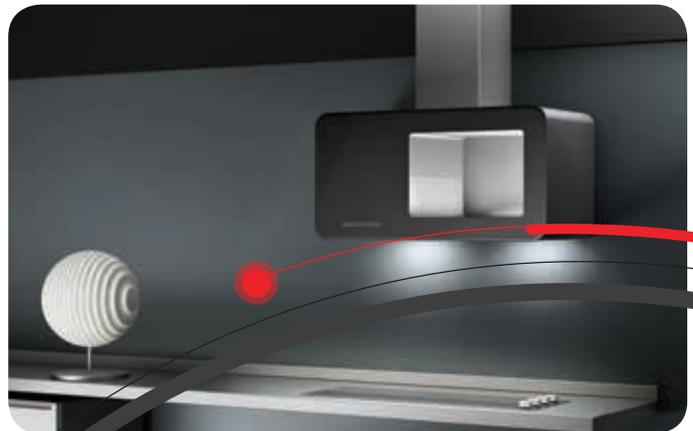
The desire for energy-efficient products is gaining increasing prominence among consumers. As a result, adoption of smart kitchen appliances by both home owners and commercial sector is booming. The focus of the kitchen has shifted towards lowering the time spent in cooking, cleaning and maintenance of appliances and increasing efficiency. This need has resulted in increasing demand for integrating kitchen appliances with technology and ensure accuracy and efficiency.

(Source: <https://www.factmr.com/report/smart-kitchen-appliances-market#:~:text=Growing%20reliance%20on%20the%20Internet,efficient%20kitchen%20appliances%20rising%20exponentially>)

Premiumisation:

With increasing disposable incomes, nuclear families, higher urbanisation and socialising, rise in working population is driving the urge for premiumisation. The demand for comfort, convenience and class has augmented the demand of aesthetic products.

Strong industry tailwinds increase in home improvement spends, desire for aesthetic superior products globally will continue to drive growth.



Operational Highlights

QUARTZ SINK



The demand for our products is consistently witnessing an upward momentum. International demand is driven by changes in the preferences of the people and higher emphasis on Quartz Kitchen Sinks. Demand in domestic market is driven by lower interest rates on home loan, government incentives, consumer preferences, larger spaces preference towards home renovation, and work from home has changed the mindset of people. Home improvement sector has seen considerable growth as people are working from homes and it brought new approach in lifestyle at home.

Expansion during the year:

We have been consistently expanding our production capacities in response to spurt in demand. During the year, Acrysil has successfully completed capacity expansion of 140,000 units of Quartz Kitchen Sinks. The manufacturing capacity has increased from 7,00,000 units per annum to 8,40,000 units per annum. The additional capacity has been operational from October 2021.

Incremental expansion:

In order to meet the incremental demand, we have further expansion of production capacity by an additional 160,000 units p.a. completed. Taking the overall capacity to 1.00 million sinks. Commercial production for the said additional sinks commenced from June 2022.

Also, there is further expansion of production capacity by an additional 200,000 units p.a., thus taking the overall capacity to 1.20 million sinks. The project is likely to be completed by Q4, of the financial year 2022-23.

Acquisition:

Acrysil UK Limited, a wholly owned subsidiary of Acrysil Limited has acquired 100% shares of Tickford Orange Limited,

UK along with its wholly owned operating subsidiary Sylmar Technology Limited (STL). Sylmar Technology Limited which is a manufacturer and distributor of customised high-quality solid surface products for kitchen and bathroom segment. These products are used for both domestic and commercial purposes catering to the markets across United Kingdom (For more details please refer to pg 16).

₹ 356 Crore

Total revenue registered from Quartz Sink segment during the FY2021-22

6,50,346 sinks

Volumes sold

STAINLESS STEEL SINKS

Last year Physical Vapor Deposition (PVD) plant was installed at our Bhavnagar Plant. The plant has capacity of coating 50,000 designer Steel Sinks per annum. PVD technology elevates the aesthetics of kitchen by providing coating for steel sinks in three colour tones like rose gold, yellow gold and gun metallic.



₹ 43 Crore

Total revenue registered from Stainless Steel Sinks segment during FY2021-22

110,126 sinks

Volumes sold

Expansion:

We have planned to double the production capacity of Stainless Steel Sinks from the existing capacity of 90,000 units per annum to 180,000 units per annum.

Financial highlights

Our ability to navigate the current external crises is a result of our solid foundation and competencies. Our focus on prudent resource allocation, effective risk management framework has helped to enhance stakeholder value each year.

Standalone performance

At the end of FY2021-22, our standalone turnover grew by 56% to touch ₹ 388.03 Crore, which was ₹ 248.34 Crore in FY2020-21. The Profit After Tax improved multi-fold to ₹ 51.52 Crore in FY2021-22, which is a 94% improvement from ₹ 26.63 Crore in FY2020-21. Export sales stood at ₹ 314.87 Crore in FY2021-22 against ₹ 200.58 Crore in FY2020-21, registering a growth of 57%.

Consolidated performance

The consolidated revenue of the Company increased by 56% to ₹ 483.90 Crore in FY2021-22, which was ₹ 309.72 Crore in FY2020-21. The consolidated PAT grew by 67% to ₹ 65.30 Crore in FY2021-22 from ₹ 39.13 Crore in FY2020-21. The earnings per share doubled to ₹ 24.26 at the end of FY2021-22, compared to ₹ 14.66 in the previous fiscal on a consolidated basis. The Company has always had a consistent dividend policy and the Board of Directors have recommended dividend of 120%.

Risk Management

Our holistic approach assists us in effectively managing financial, non-financial, and sustainability-related risks in our operations.

EXTERNAL RISK**Economic slowdown**

The company keeps a close eye on the economic situation in India and globally. As per the changing business environment we evaluate the impact and strategise our plans offset the negative effects of the current economic situation.

Slowdown in demand

We are witnessing some softness in export demand. However our domestic demand is growing, our fundamentals remain strong as ever.

Inadequate raw material supply

As a policy the Company reviews costs regularly and adequate measures are taken to control cost. Also, we have built strong partnerships with different vendors and have clear inventory control strategy.

STRATEGIC RISK**Regulatory changes**

We export to more than 55 countries and follow all the regulations. We monitor any changes in regulatory compliance and take corrective action as needed.

Marketing initiatives may not lead to desired results

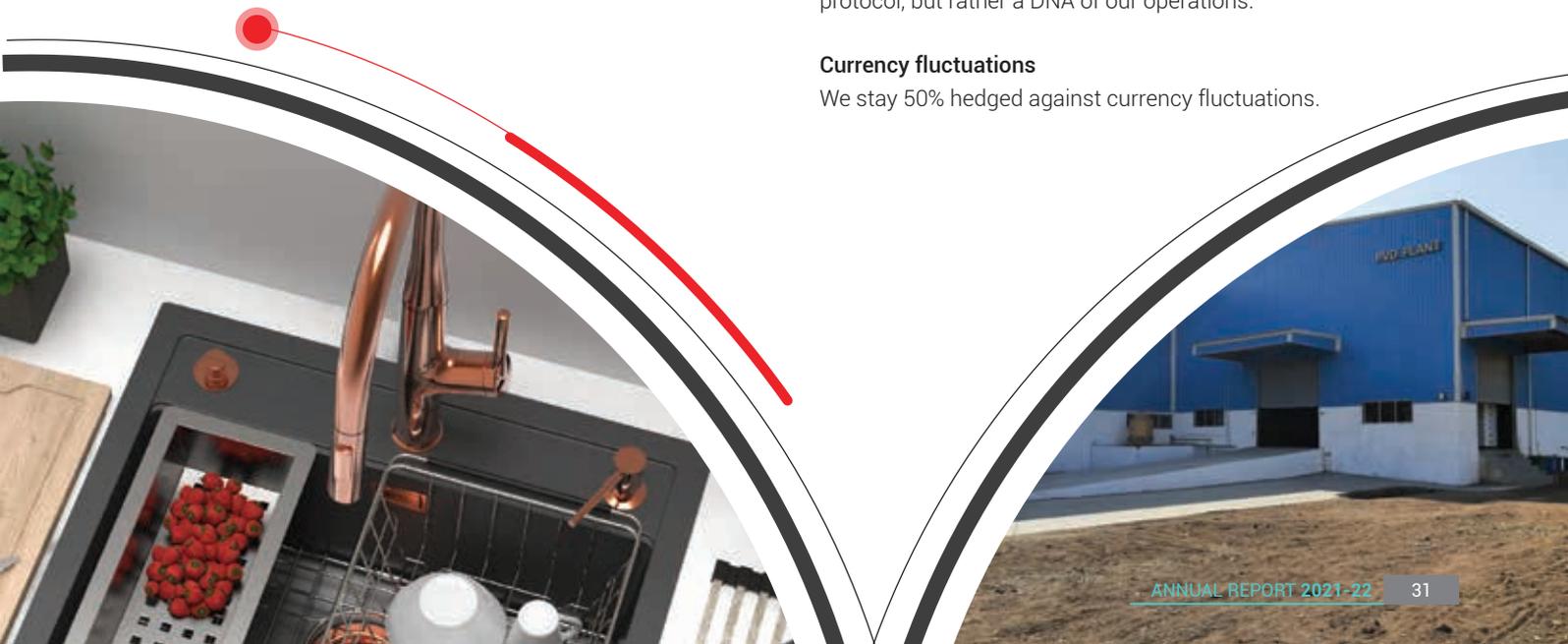
The company has a strong, dependable network of global retailers. To achieve maximum production, we prioritise network strengthening and plan strategic relationships.

OPERATIONAL RISK**Quality issues**

With global certifications, we are dedicated to pursuing the highest benchmarks and quality standards. Quality is not a protocol, but rather a DNA of our operations.

Currency fluctuations

We stay 50% hedged against currency fluctuations.



Corporate Information

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

Mr. Chirag A. Parekh

INDEPENDENT DIRECTORS

Dr. Sonal V. Ambani

Mr. Jagdish R. Naik

Mr. Ajit R. Sanghvi

Mr. Pradeep H. Gohil

Mr. Rustam N. Mulla

CHIEF FINANCIAL OFFICER

Mr. Anand H. Sharma

COMPANY SECRETARY

Mrs. Neha A. Poddar

STATUTORY AUDITORS

P A R K & Company

Practicing Chartered Accountants

INTERNAL AUDITORS (UPTO 31.03.2022)

Pramod Shah & Associates

Practicing Chartered Accountants

INTERNAL AUDITORS (W.E.F. 01.04.2022)

PBMN & Co.

Practicing Chartered Accountants

COST AUDITORS

S. K. Rajani & Co.

Practicing Cost Accountants

SECRETARIAL AUDITORS

P. P. Shah & Co.

Practicing Company Secretaries

AUDIT COMMITTEE

Mr. Jagdish R. Naik, Chairman

Mr. Chirag A. Parekh, Member

Dr. Sonal V. Ambani, Member

Mr. Ajit R. Sanghvi, Member

Mr. Pradeep H. Gohil, Member

Mr. Rustam N. Mulla

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Ajit R. Sanghvi, Chairman

Mr. Chirag A. Parekh, Member

Dr. Sonal V. Ambani, Member

Mr. Jagdish R. Naik, Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradeep H. Gohil, Chairman

Dr. Sonal V. Ambani, Member

Mr. Jagdish R. Naik, Member

Mr. Ajit R. Sanghvi, Member

Mr. Rustam N. Mulla

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Chirag A. Parekh, Chairman

Dr. Sonal V. Ambani, Member

Mr. Pradeep H. Gohil, Member

RISK MANAGEMENT COMMITTEE

Mr. Chirag A. Parekh, Chairman

Mr. Pradeep H. Gohil, Member

Mr. Anand Sharma, Member

REGISTERED OFFICE

A-702 7th Floor, Kanakia Wall Street,
Chakala, Andheri-Kurla Road, Andheri (East),
Mumbai - 400 093 (India)

Phone: +91-22-4190 2000

CIN: L26914MH1987PLC042283

Website: www.acrysilcorporateinfo.com,
www.carysil.com

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.

Office No.S6-2, 6th Floor,

Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,
Andheri East, Mumbai - 400 093 (India)

Phone: +91-22-6263 8200

E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

INVESTOR CONTACT

Mrs. Neha A. Poddar

Company Secretary and Compliance Officer

C/o. Acrysil Limited,
A-702 7th Floor, Kanakia Wall Street,
Chakala, Andheri-Kurla Road, Andheri (East),
Mumbai - 400 093 (India)

Phone: +91-22-4190 2000

E-mail: cs.al@acrysil.com

BANKERS

HDFC Bank Limited

Kotak Mahindra Bank Limited

Citibank N.A.

Export-Import Bank of India

WORKS

Survey No.312, Bhavnagar-Rajkot Highway,
Navagam, Post: Vartej,

Bhavnagar - 364 060, Gujarat (India)

Phone: +91-278-2540 218 / 893 / 392

Fax: +91-278-2540 558.

NOTICE

Notice is hereby given that the **Thirty-Fifth Annual General Meeting of Acrysil Limited ("the Company")** will be held on Thursday, September 29, 2022 at 03:30 P.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt:**
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares and to declare a Final Dividend of ₹ 1.20/- (60%) per share on fully paid equity shares of face value of ₹ 2/- each of the Company for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. Chirag A. Parekh (DIN: 00298807), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint M/s. P A R K & Company, Chartered Accountants (Firm Registration Number: 116825W) as Statutory Auditors and fix their remuneration for a second term of five years and in this regard, 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee of the Board of Directors, M/s. P A R K & Company, Chartered Accountants, Bhavnagar (Firm Registration No. 116825W) be and is hereby re-appointed as the Statutory Auditors of the Company for 2nd Term of 5 (five) consecutive years and they shall hold office from the conclusion of this 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting, on such remuneration as may be decided by the Audit Committee and the Board of

Directors of the Company plus reimbursement of out-of-pocket expenses, if any.

RESOLVED FURTHER THAT Mr. Chirag A. Parekh, Chairman and Managing Director or Mr. Anand Sharma, Chief Financial Officer or Ms. Neha Poddar, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things for the effective implementation of above resolution including filing of requisite e-forms with the Registrar of Companies."

SPECIAL BUSINESS

5. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2023 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration of ₹1,25,000/- (Rupees One Lakh and Twenty Five Thousand only) plus taxes as applicable and re-imbursement of out of pocket expenses incurred during the course of Audit to M/s. S. K. Rajani and Co., Cost Accountants (Firm Registration No: 101113), who have been appointed by the Board of Directors of the Company as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

6. Change in name of the Company and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of sections 4, 5, 13, 14, 15 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with rule 29 of the Companies (Incorporation) Rules, 2014 including

NOTICE (Contd.)

any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable law(s), regulation(s), rule(s) or guideline(s), and subject to necessary approval(s) required, if any, in this regard from appropriate authorities, the provisions of the Memorandum of Association and the Articles of Association of the Company and regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended from time to time and subject to the approval of the Registrar of Companies ("the ROC"), Central Registration Centre and other regulatory authorities, as may be applicable, consent of the members of the Company be and is hereby accorded to change the name of the Company from "Acrysil Limited" to "**CARYSIL LIMITED**".

RESOLVED FURTHER THAT Mr. Chirag A. Parekh, Chairman & Managing Director or Mr. Anand Sharma, Chief Financial Officer or Ms. Neha Poddar, Company Secretary & Compliance officer of the Company be and is hereby authorised to file all the necessary forms and/or returns and make an application in Form No. INC-24 and/or any other e-form to the ROC and/or to Central Government and/or Statutory Authorities and to do all such other acts, things and deeds as may be necessary and incidental thereto, to give effect to this resolution.

RESOLVED FURTHER THAT Mr. Chirag A. Parekh, Chairman & Managing Director or Mr. Anand Sharma, Chief Financial Officer or Ms. Neha Poddar, Company Secretary & Compliance officer of the Company be and is hereby authorised to file the necessary forms and returns with the ROC and make an application to the stock exchanges, where the equity shares of the Company are listed and other statutory authorities to do all such acts, deeds, things and matters as may be necessary to give effect to the change in name of the Company."

7. Alteration in the Memorandum of Association and the Articles of Association of the Company, and, in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 13 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-

enactment(s) thereof for the time being in force, any other applicable law(s), regulation(s), rule(s) or guideline(s), upon receipt of a fresh certificate of incorporation from Registrar of Companies, Central Registration Centre and other regulatory authorities, as may be applicable, the Name Clause I of the Memorandum of Association of the Company be substituted by the following clause and/or be altered by:

- I. The name of the Company is **CARYSIL LIMITED**.

RESOLVED FURTHER THAT in terms of section 14 of the Act and other applicable provisions of the Act, if any, the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with **CARYSIL LIMITED** upon approval of the same by Registrar of Companies, Central Registration Centre and other regulatory authorities, as may be applicable.

RESOLVED FURTHER THAT Mr. Chirag A. Parekh, Chairman & Managing Director or Mr. Anand Sharma, Chief Financial Officer or Ms. Neha Poddar, Company Secretary & Compliance officer of the Company be and is hereby authorised to file all the necessary forms and/or returns and/or any other e-form to the Registrar of Companies and/or to Central Government and/or to Statutory Authorities for the approval as above and to do all such other acts, things, deeds and matters as may be necessary and incidental thereto, to give effect to this resolution."

By order of the Board of Directors
For **Acrysil Limited**

Neha Poddar

Company Secretary and Compliance Officer

Place: Mumbai

Date: August 27, 2022

Registered Office:

A-702, Kanakia Wall Street, Andheri - Kurla Road,
Andheri (East), Mumbai - 400 093.

Tel.: 022 4190 2000

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

NOTICE (Contd.)

IMPORTANT NOTES:

- 1) The Ministry of Corporate Affairs ("MCA") has, vide its circular dated May 05, 2022, read together with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") read with rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- 2) Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
- 3) Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed.
- 4) An Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business to be transacted at the Annual General Meeting ('AGM'), is annexed hereto.
- 5) In terms of the provisions of Section 152 of the Act, Mr. Chirag A. Parekh, Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting. The Board of Directors of the Company recommend his re-appointment.

Mr. Chirag A. Parekh is interested in the Ordinary Resolution set out at Item Nos. 3, of the Notice with regard to his re-appointment. The relatives of Mr. Chirag A. Parekh may be deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the

Ordinary Business set out under Item Nos. 1 to 4 of the Notice.

- 6) Details of Director retiring by rotation at this Meeting are provided in the "Annexure A" to the Notice.
- 7) Institutional/Corporate Shareholders (i.e. other than Individuals/ HUF, NRI, etc.) are required to send legible scanned certified true copy (in PDF format) of its Board or governing body Resolution / Authorisation etc., together with attested specimen signature(s) of the duly authorised representative(s), authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Company by email through its registered email address to cs.al@acrysil.com.
- 8) The Company has notified closure of Register of Members and Share Transfer Books from September 9, 2022 to September 13, 2022 (both days inclusive) for the purpose of determining entitlement of members for dividend on Equity Shares, if declared at the ensuing Annual General Meeting of the Company.

DIVIDEND RELATED INFORMATION

- 9) Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members as on the Book Closure Date, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants/demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.

Shareholders are requested to register/update their complete bank details:

- (a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and
- (b) with the Company/Bigshare by clicking on <https://www.bigshareonline.com/InvestorRegistration.aspx>

NOTICE (Contd.)

or by emailing at cs.al@acrysil.com, if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf. In case shares are held in dematerialised mode, details in a form prescribed by your Depository Participant may also be required to be furnished.

Pursuant to the requirements of the Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. **No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 5,000/-.**

The withholding tax rate/exemption would vary depending on the residential status of the shareholder and documents registered with the Company.

- 10) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited ("BSPL") for assistance in this regard.

- 11) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with BSPL in case the shares are held by them in physical form.
- 12) SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 ("SEBI Circulars") mandated furnishing of Permanent Account Number ('PAN'), KYC details viz. Contact Details (Postal Address, Mobile Number and E-mail), Bank Details, Nomination, etc. by holders of physical securities. The Company had sent letters for furnishing the required details. Any service

request shall be entertained by BSPL only upon registration of the PAN, KYC details and the nomination. Further, in absence of the above information on or after April 1, 2023, the folio(s) shall be frozen by BSPL in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by BSPL/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

- 13) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to BSPL in case the shares are held by them in physical form.
- 14) Non-Resident Indian members are requested to inform BSPL/ respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - 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) SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated that the service requests received for Issuance of Duplicate Share Certificate, Release of Shares from Unclaimed Suspense Account of the Company, Renewal/ Exchange of Share Certificate, Endorsement, Sub-division/ Splitting of Share Certificate, Consolidation of Folios/ Share Certificates, Transmission and Transposition shall be processed by issuing shares in dematerialised form only and Physical Share Certificates shall not be issued by the Company to the Share Holder/Claimant. Members are requested to make service requests by submitting a duly filled and signed Form ISR-4.

Members holding equity shares of the Company in physical mode are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical mode have been disallowed by SEBI.

NOTICE (Contd.)

- 16) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to BSPL in case the shares are held in physical form.
- 17) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 18) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 19) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 23, 2022 through email on cs.al@acrysil.com. The same will be replied by the Company suitably.
- 20) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.
- 21) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 5, 2022 and May 13, 2022, respectively, Notice of the AGM along with the Annual Report for the FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.acrysilcorporateinfo.com, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and notice of the AGM will also be available on the website of NSDL i.e. www.evoting.nsdl.com.
- 22) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 23) **Instructions for e-voting and joining the AGM are as follows:**
- 1) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - 2) Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
 - 3) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination

NOTICE (Contd.)

and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- 4) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 5) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- 6) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://www.acrysilcorporateinfo.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

- 7) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 5, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Monday, September 26, 2022 at 09:00 A.M. and ends on Wednesday, September 28, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 22, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2022.

How do I vote electronically using NSDL e-Voting system?

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

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

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

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

NOTICE (Contd.)

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



NOTICE (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

NOTICE (Contd.)

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the

system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

NOTICE (Contd.)

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

HOW TO CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser and to the Company by e-mail to shahpradipcs@gmail.com and cs.al@acrysil.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav at evoting@nsdl.co.in.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM

NOTICE (Contd.)

- link" placed under "**Join General meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at cs.al@acrysil.com. The same will be replied by the Company suitably.
 6. For the smooth conduct of the proceedings of the AGM being conducted through VC/OAVM, Members who would like to express their views/ask questions during the AGM may send their queries in advance and register themselves as a speaker by sending their request from their registered e-mail id mentioning their name, DPID and Client ID/ Folio Number, PAN, mobile number at cs.al@acrysil.com between 9.00 a.m. (IST) on Thursday, September 22, 2022 to 5.00 p.m. (IST) on Saturday, September 24, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs.al@acrysil.com.

By order of the Board of Directors
For **Acrysil Limited**

Neha Poddar

Company Secretary and Compliance Officer

Place: Mumbai
Date: August 27, 2022

Registered Office:

A-702, Kanakia Wall Street,
Andheri - Kurla Road,
Andheri (East), Mumbai - 400 093.

Tel.: 022 4190 2000

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

NOTICE (Contd.)

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT"):

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

ITEM NO. 5:

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 as Cost Auditor to conduct the audit of the cost records of the Company's manufacturing units at Bhavnagar for the Financial Year ending March 31, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires to be ratified by the Members of the Company. Accordingly, ratification of the Members is sought as referred to in the Resolution at Item No.4 of the Notice of the payment of the remuneration amounting to ₹1,25,000/- (Rupees One Lakh and twenty five thousand only) for Cost Audit plus taxes as applicable and re-imbusement of out of pocket expenses payable to the Cost Auditor for the Financial Year ending March 31, 2023.

None of the Directors or key managerial personnel or their relatives are concerned or interested, directly or indirectly, financially or otherwise, in these resolutions except to the extent of their respective shareholding, if any, in the Company.

The Board recommends passing of the Ordinary Resolution as set out in Item No. 5 of this Notice for ratification by the Members.

ITEM NOS. 6 AND 7:

The members must be aware that, while the name of the Company is Acrysil Limited (the "Company"), the Company is largely known and established with its reputed Brand as "CARYSIL" for the kitchen sinks and appliances segment. The management thinks it prudent to replace the word "Acrysil" with "CARYSIL" in the name of the Company in order to have a brand recall, launch of "CARYSIL" as a global brand and to clear confusion between Acrysil and Carysil, to capitalise and

enhance its global presence and reputation. This change in name would make the name of the Company simple, sharp and focused towards the brand "CARYSIL". Hence, the Company proposes to change the name of the Company from Acrysil Limited to "CARYSIL LIMITED".

The Board of Directors ("the Board") of the Company at its meeting held on August 27, 2022, has, subject to the approval of the members of the Company by way of special resolutions and approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the change in name of the Company from Acrysil Limited to "Carysil Limited" and the consequent amendments to the Memorandum of Association and the Articles of Association of the Company.

Pursuant to the application made by the Company for reservation of name, the Central Registration Centre, Ministry of Corporate Affairs, New Delhi vide its approval letter dated August 25, 2022 has confirmed that proposed name i.e. "Carysil Limited" is available for registration, which is valid for sixty days.

The proposed change in name would be subject to the necessary approvals in terms of sections 4, 5, 13, 14 and 15 of the Act. As the aforesaid sections require approval of the members of the Company by way of passing Special Resolution, your Directors recommend the resolutions set out in item Nos. 6 and 7 for your approval.

The Company has complied with the requirements of regulation 45 of the Listing Regulations and has obtained a certificate for the same from a practicing Chartered Accountant, which is annexed to the Notice of Annual General Meeting as Annexure -"B".

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

Members may please note that there is change only in the name of the Company, the objects and the line of business activities remains unaltered.

NOTICE (Contd.)

The Board recommends the Special Resolutions at item Nos. 6 and 7 for approval of the members.

None of the Directors and Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested in the above resolution, except to the extent of their shareholding, if any, in the Company.

All the documents and resolutions passed in this regard are available for inspection by the members of the Company, at the Registered Office of the Company on any working day (i.e. any day other than Saturday, Sunday and public holiday).

By order of the Board of Directors
For **Acrysil Limited**

Neha Poddar

Company Secretary and Compliance Officer

Place: Mumbai

Date: August 27, 2022

Registered Office:

A-702, Kanakia Wall Street,

Andheri - Kurla Road,

Andheri (East), Mumbai - 400 093.

Tel.: 022 4190 2000

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

ANNEXURE - A

Particulars /Name	Chirag A. Parekh
DIN	00298807
Date of Birth and Age	August 30, 1969 53 years
Date of first Appointment on the Board	November 2, 2002
Qualifications	B.B.A. European University, Switzerland
Experience (including expertise in specific functional areas)	Experience of more than 2 decades in Administration, Sales, Marketing, Finance & Personnel management.
Terms & Conditions of Re-appointment/ Appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Chirag A. Parekh, who was appointed as a Managing Director of the Company at the Annual General Meeting held on September 22, 2021, is liable to retire by rotation.
Remuneration last drawn (FY 2021-22)	₹ 265.07 Lakhs p.a.
Remuneration proposed to be paid	As per existing approved terms of appointment
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2022	1,00,15,240 equity shares of ₹ 2/- each
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the financial year 2021-22	7 out of 7 meetings held
Directorships of other Boards as on March 31, 2022	a) Acrysil Steel Limited; b) Acrycol Minerals Limited; c) Sternhagen Bath Private Limited; d) Carysil Online Limited (Formerly known as Acrysil Appliances Limited); e) CP Sports Ventures Private Limited; f) Huuves Design Private Limited g) Silver Spur Wellness Private Limited h) Acrysil Ceramictech Limited
Memberships / Chairmanships of Committees of other Boards as on March 31, 2022	NIL
Listed entities from which the Director has resigned in the past three years	NIL

By order of the Board of Directors
For **Acrysil Limited**

Neha Poddar

Company Secretary and Compliance Officer

Place: Mumbai

Date: August 27, 2022

Registered Office:

A-702, Kanakia Wall Street, Andheri - Kurla Road,
Andheri (East), Mumbai - 400 093. Tel.: 022 4190 2000

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

ANNEXURE - B

Certificate pursuant to Regulation 45(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Acrysil Limited
A-702, 7th Floor, Kanakia Wall Street,
Andheri- Kurla Rd, Andheri East,
Mumbai-400093

1. This certificate is issued in accordance with the terms of our engagement.

2. a) **Background**

Acrysil Limited ("the Company"), a Company incorporated under the Companies Act, 1956 (CIN: L26914MH1987PLC042283) incorporated on January 19, 1987, having its registered office at A-702, 7th Floor, Kanakia Wall Street, Andheri - Kurla Road, Andheri East, Mumbai-400093. The Company is listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

b) **Transaction**

An application was made by the Company to the Ministry of Corporate Affairs seeking availability of name for proposed change of name of the Company vide SRN F22467989 dated August 22, 2022. The Ministry of Corporate Affairs, Office of the Registrar of Companies, Central Registration Centre vide their letter dated August 25, 2022 intimated their no objection in the availability of the changed name **CARYSIL LIMITED** from the existing name of the Company, **ACRYSIL LIMITED**.

c) **Purpose of issue of the certificate**

The Company is required to submit Chartered Accountant's certificate certifying the compliance with the conditions prescribed in sub-regulation (1) of Regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for change of name of the Company from **ACRYSIL LIMITED** to **"CARYSIL LIMITED"**.

MANAGEMENT'S RESPONSIBILITY

3. The management of the Company is responsible for ensuring the compliances with the applicable notifications, circulars and other rules and regulations of the applicable statutory and regulatory laws and rules framed thereunder and other relevant regulatory compliances, and also for the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the extracting of the required information for this certificate.

OUR RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Regulation 45(1) of the Listing Regulations in the matter of proposed change of name of the Company.

5. We conducted our examination of compliance of Regulation 45(1) of the Listing Regulations in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("the Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

ANNEXURE - B (Contd.)

6. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination and according to the information and explanations provided to us, pursuant to Regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that:

Sr. No.	Particulars	Opinion
1.	The time period of one year has elapsed from the last name change that was occurred in the year	The Company has changed its name on November 16, 1998 and thereafter, there is no change in the name of the Company
2.	At least fifty percent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name	There is no new activity suggested by the new name. The Object and the line of business activities remains unaltered.
3.	The amount invested in the new activity/project is atleast fifty percent of the assets of the listed entity	Not applicable- As there is no change in the objects and business activities of the Company in the preceding one year period.

RESTRICTION ON USE

8. This certificate is issued at the request of the Company pursuant to the requirement of Regulation 45 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for onward submission to the Stock Exchanges, where the equity shares of the Company are listed.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

ASHISH DAVE
Partner

Bhavnagar
August 27, 2022

Membership No. 170275
UDIN: 22170275AQCEVF6900

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the Thirty Fifth Annual Report on business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2022. This report states compliance as per the requirements of the Companies' Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules and regulations as applicable to the Company.

1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY

The summary of Standalone (Company) and Consolidated (Company and its Subsidiaries) financial performance for the year under review as compared to the previous financial year are given below:

(₹ in Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Net Sales/Income from Operations	38,802.57	24,834.13	48,390.14	30,971.66
2	Other Income	1,427.83	728.98	1,006.69	800.55
3	Total Income (1+2)	40,230.40	25,563.11	49,396.83	31,772.21
4	Total Expenditure	33,469.70	21,686.65	40,788.78	26,389.00
5	Operating profit before Finance Cost, Depreciation, Tax and Minority Interest (3-4)	9,307.38	5,673.86	11,339.01	7,379.85
6	Finance Cost	870.80	639.83	958.64	730.21
7	Depreciation	1,675.88	1,157.57	1,772.32	1,266.43
8	Profit before Tax and Minority Interest (5-6-7)	6,760.70	3,876.46	8,608.05	5,383.21
9	Provision for Taxation	1,608.34	1,213.82	2,082.40	1,451.45
10	Net Profit after Tax and before Non-Controlling Interest (8-9)	5,152.36	2,662.64	6,525.65	3,931.76
11	Non-Controlling Interest	-	-	49.50	19.54
12	Net Profit after Tax and Non-Controlling Interest (10-11)	5,152.36	2,662.64	6,476.15	3,912.22
13	Total other Comprehensive Income (Net of Tax)	6.78	(18.33)	3.94	(18.00)
14	Total Comprehensive Income	5,159.14	2,644.31	6,480.09	3,894.22

Notes:

- The previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with current year.
- The above figures are extracted from the Audited Standalone and Consolidated Financial Statements as per Indian Accounting Standards (Ind AS).
- Figures have been rounded off to nearest decimal.

DIRECTORS' REPORT (Contd.)

2. PERFORMANCE REVIEW

THE FINANCIAL HIGHLIGHTS OF THE COMPANY'S PERFORMANCE (STANDALONE) FOR THE YEAR ENDED MARCH 31, 2022 ARE AS UNDER:

- The Revenue from operations stood at ₹ 38,802.57 Lakhs in FY 2021-22 as compared to ₹ 24,834.13 Lakhs in the previous year.
- Profit before tax stood at ₹ 6,760.70 Lakhs in FY 2021-22 as compared to ₹ 3,876.46 Lakhs in the previous year.
- Net profit after tax stood at ₹ 5,152.36 Lakhs in FY 2021-22 as compared to ₹ 2,662.64 Lakhs in the previous year.
- Earnings per share for the FY 2021-22 stood at ₹ 19.30/- per share as compared to ₹ 9.97/- per share in the previous year.

THE FINANCIAL HIGHLIGHTS OF THE COMPANY'S PERFORMANCE (CONSOLIDATED) FOR THE YEAR ENDED MARCH 31, 2022 ARE AS UNDER:

- Consolidated Revenue from operations stood at ₹ 48,390.14 Lakhs in FY 2021-22 as compared to ₹ 30,971.66 Lakhs in the previous year.
- Profit before tax stood at ₹ 8,608.05 Lakhs in FY 2021-22 as compared to ₹ 5,383.21 Lakhs in the previous year.
- Net profit after tax stood at ₹ 6,525.65 Lakhs in FY 2021-22 as compared to ₹ 3,931.76 Lakhs in the previous year.
- Earnings per share for the year FY 2021-22 stood at ₹ 24.26/- per share as compared to ₹ 14.66/- per share in the previous year.

3. DIVIDEND

Considering the consistent financial performance of your Company and promising future prospects while retaining capital to maintain a healthy Capital Adequacy Ratio and to support future growth, your Board of Directors have declared an interim dividend of ₹ 1.20/- per Equity Share and recommend a final dividend of 60% (₹ 1.20/- per Equity Share) on Equity Shares of ₹ 2/- each for the financial year ended March 31, 2022. The declaration and payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company and shall be subject to deduction of income tax at source.

The total dividend for FY 2021-22 amounts to ₹ 2.40/- per Equity Share. The Dividend Distribution Policy is placed on the website of the Company and can be accessed at https://www.acrysilcorporateinfo.com/public/upload/pdf/6773AL_Dividend%20Distribution%20Policy.pdf.

4. MATERIAL CHANGES, TRANSACTION AND COMMITMENT, CHANGE IN THE NATURE OF BUSINESS, IF ANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT.

During the year under review, there are no Material changes and commitments affecting the financial position of the Company from the end of the financial year till the date of this report. There has been no change in the nature of business of the Company.

5. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which would have an impact on the going concern status and Company's operations in future.

6. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

Management's Discussion and Analysis Report for the year, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

7. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2022 stands at ₹ 5,33,89,760 divided into 2,66,94,880 equity shares of ₹ 2/- each.

The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares to the employees or Directors of the Company, under any Scheme (including sweat equity shares) during the year. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

8. TRANSFER TO RESERVES

The Company proposes to transfer sum of ₹ 1,000 Lakhs to the General Reserves.

DIRECTORS' REPORT (Contd.)

9. CREDIT RATING

On November 19, 2021, ICRA has upgraded the Long term Debt rating of the Company. The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited as given below:

Instrument	Rating
Long Term Debt	ICRA A (Stable)
Short Term Debt	ICRA A2+

10. SUBSIDIARY COMPANIES

As on March 31, 2022, the Company has six subsidiaries, including two overseas subsidiaries and one step down overseas subsidiary. There has been change in the name of Subsidiary Company, Acrysil Appliances Limited to Carysil Online Limited. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. Financials of subsidiaries are disclosed in the consolidated financial statements, which forms part of this Annual Report.

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.

The Board has approved a Policy for determining Material Subsidiaries of the Company and the same is available on the website of the Company i.e. www.acrysilcorporateinfo.com under 'Company Policies' in the 'Investor Relations' section.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary company. The minutes of the Board Meetings of the unlisted subsidiary companies were also placed at the Board Meeting of the Company.

PERFORMANCE HIGHLIGHTS

The Company has three operating subsidiary companies: Acrysil UK Limited, Acrysil GmbH, Germany and Acrysil Steel Limited. Further, two subsidiary companies are yet to commence business: Carysil Online Limited (Formerly known as Acrysil Appliances Limited) and Sternhagen Bath Private Limited.

The performance highlights of subsidiaries and their contribution to the overall performance of the Company during the financial year ended March 31, 2022 are as under:

Subsidiary	Performance during FY 2021-22 (₹ in Lakhs)		Contribution to overall performance of the Company (%)	
	Revenue	Profit After Tax	Revenue	Profit After Tax
Acrysil UK Limited	9790.28	1432.72	19.82	21.95
Acrysil GmbH, Germany	1069.26	67.40	2.16	1.03
Acrysil Steel Limited	4616.84	330.57	9.35	5.07

Further, pursuant to Accounting Standard AS21 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.

11. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as the "Listing Regulations"), the Consolidated Audited Financial Statements forms part of the Annual Report.

Pursuant to section 129(3) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of a Company's subsidiaries is given in Form AOC-1 which forms an integral part of the Annual Report. The statement also provide details of performance and financial position of each of the subsidiaries.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS:

The Board of Directors of the Company is led by the Executive Chairman and Managing Director Mr. Chirag Ashwin Parekh and comprises of five other Independent Directors as on March 31, 2022.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Company's Articles of Association, Mr. Chirag Ashwin Parekh, Chairman and

DIRECTORS' REPORT (Contd.)

Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and the Board of Directors on the recommendation of Nomination and Remuneration Committee has recommended his re-appointment and being eligible has offered himself for re-appointment.

All Independent Directors of the Company have given declarations to the Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

KEY MANAGERIAL PERSONNEL (KMP):

Mr. Chirag Ashwin Parekh, Chairman and Managing Director, Mr. Anand Sharma, Chief Financial Officer and Mrs. Neha Anup Poddar, Company Secretary and Compliance Officer are the Key Managerial Personnel in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

13. BOARD MEETINGS

During the year, 7 (Seven) Board Meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013. Details of Board and 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. In accordance with the provisions of Schedule IV of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), a separate meeting of the Independent Directors of the Company was held on Saturday, March 26, 2022 to review the performance of Non-Independent Directors (including the Chairperson) and the entire Board.

The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board.

14. COMMITTEES OF THE BOARD

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

15. BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

16. INDEPENDENT DIRECTOR'S FAMILIARISATION PROGRAMME

The Company familiarises its Independent Directors pursuant to the requirements of Regulation 25 of LODR with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and 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. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at www.acrysilcorporateinfo.com.

DIRECTORS' REPORT (Contd.)

17. REMUNERATION POLICY OF THE COMPANY

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company along with other related matters have been provided in the Corporate Governance Report and is also posted on the website of the Company and can be accessed at www.acrysilcorporateinfo.com.

As and when need arises to appoint Director, the Nomination and Remuneration Committee (NRC) of the Company determines the criteria based on the specific requirements. NRC while recommending candidature to the Board takes into consideration the qualification, attributes, experience and Independence of the Candidate. Director(s) appointment and remuneration are made as per Nomination and Remuneration Policy of the Company.

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments are as per Section 186 of the Act by the Company and have been disclosed in the notes to the financial statements.

19. AUDITORS

a. STATUTORY AUDITORS

M/s. P A R K & Company, Chartered Accountants (Firm Registration Number: 116825W) were appointed as Statutory Auditors of the Company for a period of 5 (Five) years from the conclusion of 30th Annual General Meeting held on September 20, 2017 till the conclusion of the thirty-fifth AGM. The Audit Committee & the Board has proposed to recommend to re-appoint M/s. P A R K & Company, Chartered Accountants (Firm Registration Number: 116825W) as Statutory Auditors of the Company for 2nd term of 5 (Five) years subject to the approval of shareholders in the ensuing Annual General Meeting.

The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

b. COST AUDITORS

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained for the year FY 2021-22.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. S. K. Rajani & Co., Cost Accountants (FRN: 101113) as the Cost Auditors of the Company, for the financial year ending March 31, 2023, at a remuneration as may be mentioned in the Notice convening the 35th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A resolution seeking ratification by the members for the remuneration payable to Cost Auditor will form part of the Notice of the 35th Annual General Meeting of the Company and same will be recommended for your consideration and approval.

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 had appointed M/s. P. P. Shah & Co., a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report for the financial year 2021-22 is annexed as "Annexure III" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed M/s. P. P. Shah & Co., Practicing Company Secretaries, as Secretarial Auditors of the Company for financial year 2022-23.

d. INTERNAL AUDITORS

M/s. Pramod Shah & Associates conducted an Internal Audit of the Company for FY 2021-22. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

DIRECTORS' REPORT (Contd.)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate on Corporate Governance forms part of Annual Report. The auditors' certificate for financial year 2021-22 does not contain any qualification, reservation or adverse remark.

20. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

In the opinion of the Board, the Company has an Internal Financial 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 Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

Accordingly, the Company has adopted financial control system and framework to ensure:

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records, and
- The timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as part of IFC framework, and take necessary corrective actions wherever weaknesses are identified as a result of such reviews. These have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of Corporate Policies.

Based on this evaluation, no significant events had come to notice during the year that have materially affected,

or are reasonably likely to materially affect, our IFC. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditors of the Company has audited the IFC with reference to Financial Reporting and their Audit Report is annexed as "Annexure B" to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements respectively.

Internal Controls are continuously evaluated by the Internal Auditors and Management. Findings from internal audits are reviewed by the Management and by the Audit Committee and corrective actions and controls have been put in place wherever necessary. Scope of work of Internal Auditors covers review of controls on accounting, statutory and other compliances and operational areas in addition to reviews relating to efficiency and economy in operations.

During the year, Internal Financial Controls (IFC) testing process was done in order to review adequacy and strength of IFC followed by the Company. As per the assessment, there are no major concerns and controls are strong.

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

21. AUDIT COMMITTEE

The Company has an Audit Committee pursuant to the requirements of the Section 177 of the Act read with the rules framed there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in the Report on Corporate Governance forming part of this Report.

During the Financial year 2021-22, the recommendations and ratifications of Audit Committee were duly approved, ratified and accepted by the Board of Directors.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed there under your Company has adopted a policy for CSR and the Board has constituted a Committee for implementing

DIRECTORS' REPORT (Contd.)

the CSR activities. Composition of the Committee and other details are provided in Corporate Governance Report. In the financial year 2021-22, the Company has undertaken various CSR activities directly and/or through implementing agency and the projects undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as "Annexure I" to this report.

23. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has complied with the provisions relating to the constitution of Internal Complaints

Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place. During the year under review, there were no complaints pertaining to sexual harassment.

24. RISK MANAGEMENT AND POLICY ON RISK MANAGEMENT

Your Company recognises that the risk is an integral part of business and is committed to managing the risks in proactive and efficient manner. Your Company periodically assesses the risks in the internal and external environment along with treating the risks and incorporates risk management plans in its strategy, business and operational plans. Your Company, through its risk management process strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

Major risks identified for the Company by the management are Currency fluctuation, Manufacturing & Supply, 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 of Directors has also adopted a formal Risk Management policy for the Company, whereby, risks are broadly categorised with the parameters of identification, assessment, monitoring and mitigation of various risks.

Policy on Risk Management is posted on the website of the Company and can be accessed at www.acrysilcorporateinfo.com.

25. VIGIL MECHANISM

The Board of Directors of the Company has approved and adopted a Whistle Blower Policy of the Company for establishing a vigil mechanism for directors and employees to report genuine concerns regarding fraud or unethical behaviour as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In appropriate cases any personnel of the Company can have direct access to the audit committee. We affirm that no personnel has been denied access to the Audit Committee. The Whistle Blower Policy is posted on the website of the Company at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9512vigil-mechanism.pdf>.

26. RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

All the Related Party Transactions entered during the financial year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee. Omnibus approval was obtained for the transactions of repetitive nature. The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website at <http://www.acrysilcorporateinfo.com/public/upload/pdf/5203related-party-transaction-policy.pdf>.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

DIRECTORS' REPORT (Contd.)

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

27. PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **"Annexure II"** to this Report.

A statement comprising the names of top 10 employees in terms of remuneration drawn is not being sent along with this annual report to the Members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

In terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the statement showing the name of the employees drawing remuneration in excess of the limit specified in the Rules are not applicable on the Company as during the period, no employee of the Company was drawing salary in excess of the that drawn by the Managing Director or Whole-time Director.

28. INSURANCE

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets against unforeseeable perils like fire, riot, earthquake, floods, terrorism 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.

29. DEPOSITS

The Company has not accepted any deposits during the year from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. However, your company has accepted exempted deposits as per the Act.

30. ANNUAL RETURN

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is required to place a copy of Annual Return (in Form MGT-7) on the Company's website, web link of such annual return shall be disclosed in the Board's Report. viz. www.acrysilcorporateinfo.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

31. SECRETARIAL STANDARDS

During the year FY 2021-22, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

32. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, in relation to financial statements of the Company for the year ended March 31, 2022, the Directors to the best of their knowledge and belief hereby confirmed:

- a. that in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b. that the directors have 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 March 31, 2022 and of the profit of the Company for that period;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Directors have prepared the annual accounts on a 'going concern' basis;
- e. that the Directors have laid down internal financial controls to be followed by the Company and that

DIRECTORS' REPORT (Contd.)

such internal financial controls are adequate and are operating effectively; and

- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to Conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be given under Section 134 of the Act, read with the Companies (Accounts) Rules, 2014 is annexed as **"Annexure IV"** to this report.

34. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance, reinforcing the valuable relationship between the Company and its Stakeholders.

Pursuant to Regulation 34 of the SEBI LODR Regulations, a separate report on Corporate Governance has been included in this Annual Report along with a certificate from the Statutory Auditors of the Company regarding the compliance with the provisions of the Corporate Governance.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year FY 2021-22. A declaration to this effect signed by the Chairman & Managing Director of the Company is contained in this Annual Report.

The Chairman & Managing Director and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the SEBI LODR Regulations and the said certificate is contained in this Annual Report.

35. CMD AND CFO CERTIFICATION

Certificate from Mr. Chirag A. Parekh, Chairman and Managing Director and Mr. Anand Sharma, CFO, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of your Company at its meeting held on May 17, 2022. The Certificate forms part of this Report.

36. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Mr. Pradip Shah, Partner of M/s. P. P. Shah & Co., Practicing Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority. The certificate forms part of this Report.

37. HUMAN RESOURCE

Your Company firmly believes that Human Resource function is closely integrated with the business and has been an important pillar supporting growth aspiration.

The function focuses on Leadership Development, Succession Planning and Skills & Competency Development. At Acrysil, the Human Resource function is a business partner that focuses on improving the way of life, work culture, employee engagement, productivity, effectiveness and efficiency. The Company believes in developing an engaged, efficient and committed employee base that is aware and empowered. Employee Engagement Programs are an integral part of the function and are designed in a manner that keeps motivational levels high and they range from competitive sports to celebration festivals, cultural events to recognition through rewarding for exceptional achievement. 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.

38. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which is required by the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

39. ANNUAL SECRETARIAL COMPLIANCE REPORT

Mr. Pradip Shah of M/s. P. P. Shah & Co., Practicing Company Secretaries, has issued Annual Secretarial Compliance Report pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 which shall cover a broad check on compliance with applicable SEBI Regulations and circulars/guidelines issued thereunder on annual basis.

DIRECTORS' REPORT (Contd.)

40. LISTING

The equity shares of your Company continue to be listed at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Exchange	Scrip Code	ISIN
NSE	ACRYSIL	INE482D01024
BSE	524091	

The listing fees for fiscal 2022 have been paid for all of the above stock exchanges where the equity shares of the Company are listed.

41. OTHER DISCLOSURES:

The Directors state that no disclosures or reporting is required in respect of the following items, as the same is either not applicable to the Company or relevant transactions/events have not taken place during the year under review:

- Details relating to deposits accepted by the Company;
- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- There was no revision in the financial statements.
- There has been no change in the nature of business of the Company as on the date of this Report.
- The Managing Director & CEO of the Company did not receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.
- There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 as at the end of financial year March 31, 2022.

The Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the financial year.

42. EMPLOYEE STOCK OPTION SCHEME

Acrysil Limited - Employee Stock Option Plan 2021

The Board of Directors ("the Board") of the Company at its meeting held on March 18, 2021, based on the recommendation of the Nomination & Remuneration Committee, approved introduction of Acrysil Limited - Employees Stock Option Plan 2021 ('ESOP-2021') under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 3,00,000 (Three Lakhs) options exercisable into equivalent number of Equity Shares of ₹ 2/- each fully paid up of the Company.

The synopsis of the Scheme is as under:

- Overall limit of 3,00,000 Options;
- The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and/or to the directors of the Company, whether whole-time or not and to such other persons as may be decided by the Board and/or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees'), but excluding an Independent Director(s), an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or through any Body Corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company;
- Permanent employee(s) and Directors of any existing and future subsidiary company(ies) of the Company whether in or outside India, as may be permissible under the SEBI ESOP Regulations from time to time;
- The Exercise Price shall be ₹ 60/- per Equity Share payable at the time of exercise of Options;
- The Company sought and received Shareholder's approval for the said Scheme through Postal Ballot on May 03, 2021;
- Under the Scheme, 2,25,000 Options were granted to eligible employees on May 20, 2021 by the Company at an exercise price of ₹ 60/- per option. None of the options granted are vested or exercised as on March 31, 2022;

DIRECTORS' REPORT (Contd.)

The details as required to be disclosed under Section 62 of the Act read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014 is annexed as "Annexure V" to this report.

The ESOP-2021, was approved by the Board of Directors and the shareholders vide resolution dated March 18, 2021 and May 03, 2021 respectively. Subsequently, there was an amendment in the ESOP-2021 approved by the Nomination & Remuneration Committee vide resolution dated May 20, 2021 as under:

In case of Death: All Unvested Options shall vest in him on the day of death and may be exercised by the Option Grantee's nominee or legal heir/s within the exercise period as per the Scheme.

In case of Permanent Disability: All Unvested Options shall vest in him on the day of Permanent Disability and may be exercised by the Option Grantee or, if the Option Grantee is himself/herself unable to exercise due to such incapacity, the nominee or legal heir shall exercise within the exercise period as per the Scheme.

43. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government and regulatory authorities, stock exchanges, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**By order of the Board of Directors
For ACRYSil LIMITED**

Chirag A. Parekh

(DIN: 00298807)

Chairman and Managing Director

Date: May 17, 2022

Place: Bhavnagar

Registered Office:

A-702, 7th Floor, Kanakia Wall Street,
Chakala, Andheri Kurla Road, Andheri (East),

Mumbai - 400 093

Tel.: 022-4190 2000

CIN: L26914MH1987PLC042283

E-mail: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

ANNEXURE - I

ANNUAL REPORT ON THE CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013

And as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A BRIEF OUTLINE OF THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY.

In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, in its Meeting held on April 23, 2014, approved a CSR Policy of the Company, as amended from time to time.

In accordance with the primary CSR activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as Health, Promotion of literacy, Assisting in the prevention of diseases by vaccination, promoting better hygiene and sanitation, improved maternal health, protection of national heritage, art and culture and to impart training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports including Cycle-Polo and such other sports as may be prescribed under this category etc.

2. COMPOSITION OF CSR COMMITTEE:

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The composition of CSR Committee as on the date of Director's Report is as follows:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Chirag A. Parekh	Chairman & Managing Director	4	4
2.	Mr. Pradeep H. Gohil	Independent Director	4	4
3.	Dr. Sonal V. Ambani	Independent Director	4	4

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <http://www.acrysilcorporateinfo.com/corporate-information>.
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**.
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2021-22	3.03 Lakhs	3.03 Lakhs
	TOTAL	3.03 Lakhs	3.03 Lakhs

- Average net profit of the Company as per section 135(5): ₹ **2,454.84 Lakhs**.
- Two percent of average net profit of the Company as per section 135(5): ₹ **49.10 Lakhs**
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ **3.03 Lakhs**
 - Amount required to be set off for the financial year, if any: ₹ **3.03 Lakhs**
 - Total CSR obligation for the financial year (7a+7b-7c): ₹ **49.10 Lakhs**

ANNEXURE - I (Contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
57.43 Lakhs	NIL				

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Dakshinamurti Vidhyarthi Bhavan	Promoting Education	Yes	Gujarat	Bhavnagar	31.00	No	Dakshinamurti Vidhyarthi Bhavan	CSR00002087
2.	Donation of Oxygen Concentrators	Health Care	Yes	Gujarat	Bhavnagar	2.80	Yes		
3.	Donation of Oxygen Concentrators	Health Care	Yes	Gujarat	Bhavnagar	7.80	Yes		
4.	ICU Ambulance	Health Care	Yes	Gujarat	Bhavnagar	12.48	No	Ashwanila Charitable trust	CSR00004138
5.	Vivekanand Research & Training Institute	Promoting Education	Yes	Gujarat	Bhavnagar	0.10	No		
6.	Anand Mangal Education & Charitable Trust	Promoting Education	Yes	Gujarat	Bhavnagar	0.25	No	Ashwanila Charitable trust	CSR00004138
7.	Mavtar	Donation for old age homes	Yes	Gujarat	Bhavnagar	3.00	No	Ashwanila Charitable trust	CSR00004138
TOTAL						57.43			

ANNEXURE - I (Contd.)

- (d) Amount Spent in administrative overheads: **Nil**
- (e) Amount spent on Impact Assessment, if applicable: **Nil**
- (f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e) **57.43 Lakhs.**
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	49.10 Lakhs
(ii)	Total amount spent for the Financial Year	57.43 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	08.33 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	03.03 Lakhs
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.36 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		TOTAL					

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (in ₹)	Amount spent on the project in the Reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the Project Completed/ Ongoing
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total							

ANNEXURE - I (Contd.)

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**
(asset-wise details).
- (a) Date of creation or acquisition of the capital asset(s). **NIL**
 - (b) Amount of CSR spent for creation or acquisition of capital asset. **NIL**
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **NIL**
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **NIL**
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).
Not Applicable

**For and on behalf of the CSR Committee of
Acrysil Limited**

Chirag A. Parekh

Chairman & Managing Director of the
Company and CSR Committee
(Din: 00298807)

Date: May 17, 2022
Place: Bhavnagar

ANNEXURE - II

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 FY 2021-22; and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the FY 2021-22.

Sr. No.	Name of the Director(s)/ KMP and their designation	Ratio of remuneration of each director to median remuneration of employees	Percentage increase in Remuneration
1	Mr. Chirag A. Parekh Chairman & Managing Director	158.01	68.28*
2	Dr. Sonal V. Ambani Independent Director	1.67	39.22
3	Mr. Jagdish R. Naik Independent Director	1.36	56.76
4	Mr. Ajit R. Sanghvi Independent Director	1.57	45.65
5	Mr. Rustam N. Mulla Independent Director	1.27	38.46
6	Mr. Pradeep H. Gohil Independent Director	1.57	42.55
7	Mr. Anand Sharma Chief Financial Officer	19.99	15.77
8	Mrs. Neha A. Poddar Company Secretary	5.55	8.93

- iii. The Median Remuneration of Employees of the Company is ₹ 2.13 Lakhs for the FY 2021-22. There is a decrease of 2.38% in the Median Remuneration of Employees during the previous financial year.
- iv. The Company has 539 permanent employees on its rolls as on March 31, 2022.
- v. The Average percentage increase made in the salaries of employees other than the managerial personnel for the financial year i.e. 2021-22 was 12.24% whereas the increase in the managerial remuneration for the same financial year was 68.28%.
- vi. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

The Company has not employed any employee throughout the financial year or part thereof, who was in receipt of remuneration at the rate which in aggregate is in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

Notes:

- Independent Directors are paid only Sitting Fees.
- * Includes Commission

ANNEXURE - III

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Acrysil Limited

We 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 to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - 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, 2013 and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. There are no other laws specifically applicable to the industry to which the Company belongs as identified by the management.

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

ANNEXURE - III (Contd.)

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.
- 2) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors/Independent Directors.

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

We 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.

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

1. Public/Right/Debentures/Sweat equity Issue etc.,
2. Redemption/buy back of securities.,
3. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013,
4. Merger/amalgamation/reconstruction etc.,
5. Foreign technical collaborations.

We further report that on May 03, 2021, the members of the Company has passed resolutions for issue of Employee Stock Options under "Acrysil Limited-Employee Stock Option Plan 2021" to employees and Directors (excluding Independent Directors) of the Company and its subsidiary. The Company has completed other formalities in relation to issue of Employee Stock Options.

**For P. P. Shah & Co.,
Company Secretaries**

Unique ICSI ID No.: P2009MH018300

Pradip Shah

Partner

FCS No: 1483, COP No: 436

UDIN: F001483C000347664

Peer Review: 666/2020

Date: May 17, 2022

Place: Mumbai

ANNEXURE - III (Contd.)

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Acrysil Limited

Sub: Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For P. P. Shah & Co.,
Company Secretaries**
Unique ICSI ID No.: P2009MH018300

Pradip Shah
Partner

FCS No: 1483, COP No: 436
UDIN: F001483C000347664
Peer Review: 666/2020

Date: May 17, 2022
Place: Mumbai

ANNEXURE - IV

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption by adopting new technologies and optimising the existing process.

The Company always focuses on the area of potential energy saving. Close monitoring of power and fuel consumption is done to minimise the wastages.

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

○ Research and Development

Innovation has been the key to successful businesses since eternity; the Company always strives towards improvisation, to bring out the best in the Company with a view to provide optimum satisfaction to the Customer. The Company continued to pursue its R&D efforts in the areas of product quality improvement, higher productivity and incorporating smart formulations to attain global benchmarks.

1. Specific areas in which R&D is carried out by the Company

The Company has been progressively working towards manufacturing of better products, innovative techniques, designs so as to serve the customers with the best of products, improved packaging, cost reduction through the use of new and improved raw materials, changes incorporated in their quality specifications, with a view to successfully sustain the Market Competition.

Some innovative R&D activities carried out and fully/partially commenced commercial production during the year under report are:

- a) Introduction of new model for domestic market as well as export market.
- b) Developed cost effective and plastic free packaging for some particular model of sinks for global market.
- c) Continuous innovation in product design and quality.
- d) Innovate and improve process capability, attain global benchmarks carried out by the Company, consistent focus on the operational excellence.

- e) Developing of a new type of sinks called 90 Degree Apron Sinks.
- f) Development of a new and innovative and an unconventional raw material initiated at R&D sometimes back has been completed successfully with promising result.
- g) 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.
- h) Fine tuning of design parameters based on in-depth discussions and evaluation of customers feedback on product quality for enhanced variety of applications.
- i) Continue to adopt innovation and emerging technologies as future growth drivers and improvement of existing products.
- j) Explore the possibilities to bring automation in process for improving the productivity and reducing the cost.

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

- a) 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.
- b) 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.
- c) Alignment of products meeting enhanced applications by modifying technical specifications and manufacturing processes.
- d) Improvement in quality, productivity, cost effectiveness & packaging.
- e) Precise machining and better quality of products.
- f) Certification is ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018 for Quality, Environment, Health and

ANNEXURE - IV (Contd.)

Safety standards - Code of Conduct Certification by TUV.

- Awarded with Two Star Export House
- Awarded by F G I for best exports performance and promotion

- g) National Industrial Excellence Award 2017 awarded by National Chamber of Commerce and Industries of India.

3. Future Plan of Action

- a) To update technology, innovation and renovation of products and design capabilities and quality as per advancement and competitiveness observed from the Global market.
- b) To introduce new designs of kitchen sinks, wash basins, 3D Tiles and varieties, Commercial Kitchens etc. of products with latest technology.
- c) With Robust focus on R&D and continuation of the on going efforts to be globally competitive and excel in the core business activities, Acrysil is all set to witness some Robust growth in near future.

4. Expenditure on R&D for the FY 2021-2022

(₹ in Lakhs)

a.	Capital	--
b.	Recurring	36.53
c.	Total R&D Expenditure (a+b)	36.53
d.	R&D and innovation expenditure as a percentage of total turnover	0.09%

- Technology absorption, adoption and innovation

a) Efforts in brief made towards technology absorption, adoption and innovation:

- i) Upgradation of existing product and processes to save cycle time, energy consumption and overall operational efficiency.
- ii) Improve the quality of the product and upgrade the Manufacturing Process of all the products of the Company.

- iii) Collaboration with technological institutes and technical experts to incorporating innovative ideas in to product and process.
- iv) 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.
- v) The Company absorbs and adapts the technologies on a continuous basis to meet its specific product needs from time to time.
- vi) Development of process of improving its quality control methods & testing facilities.
- vii) Analysing feedback from end users to improve quality of products.
- viii) Constant efforts are made to improve and upgrade the new technology for higher productivity, to achieve better quality & reduce cost.
- ix) Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.
- x) Technology support to all overseas subsidiaries to improve efficiency and enable business growth.

b) Benefits derived as a result of above efforts.

- i) Central to maintaining competitiveness is the ability of producers to respond quickly and effectively to the changing demands of the international market.
- ii) Development of value-added products, improvement quality and cost optimisation efforts surely translate into a competitive edge in the market place overall impacting brand of the Company.
- iii) Integration of human & technical resources to enhance workforce performance and satisfaction.

ANNEXURE - IV (Contd.)

- iv) Enhancing quality focus and customer orientation.
- v) Initiatives on lean practices by implementing Goal Setting and training to workmen.
- vi) Re-engineering core processes to dramatically improve efficiency and drive business value.
- vii) Upgrading manufacturing technology levels.

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. Foreign Exchange Earnings and Outgo:

(₹ in Crores)

Foreign Exchange Earnings & Outgo		2021-22	2020-21
a.	Foreign Exchange Earned	265.83	173.34
b.	Foreign Exchange Used	83.67	52.69

For and on behalf of the Board of Director

Chirag A. Parekh
Chairman & Managing Director
DIN: 00298807

Bhavnagar, May 17, 2022

ANNEXURE - V

DISCLOSURE UNDER SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 AND RULE 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 (SEBI REGULATIONS) FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2022

A. DETAILS RELATED TO EMPLOYEES' STOCK OPTION SCHEME

i. Description including terms and conditions of ESOP-2021 are summarised as under:

	Particulars	ESOP-2021
a.	Date of shareholders' approval	May 03, 2021
b.	Total number of options approved under ESOS	3,00,000
c.	Vesting requirements	Vesting period shall be not earlier than one year and not later than three years from the date of grant
d.	Exercise price or pricing formula	Exercise price shall be ₹ 60/- per Equity Share.
e.	Maximum term of option granted	Three years
f.	Source of shares	Primary
g.	Variation in terms of options	Nil
h.	Method used to account for ESOS	Fair Value
i.	Where your Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised and if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of your Company shall also be disclosed	Not Applicable

ii. Option movement during the year 2021-22

	Particulars	ESOP-2021
	Number of options outstanding as on April 1, 2021	Nil
	Number of options granted during year	2,25,000
	Number of options forfeited / lapsed during the year	27,000
	Number of options vested during the year	Nil
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Options outstanding as on March 31, 2022	1,98,000
	Options exercisable as on March 31, 2022	Nil
	Variation of terms of options	Nil

ANNEXURE - V (Contd.)

B. EMPLOYEE-WISE DETAILS OF OPTIONS GRANTED DURING THE YEAR:

a) **Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;**

Sr. No.	Class of Options	Employees	Designation	No. of Options granted	Total	Exercise Price (in ₹)
1	A	Mr. Anand Sharma	Chief Financial Officer	27,000		60
2		Mr. Manish Thakkar	Senior General Manager - Operations	27,000		60
3		Mr. Amitabh Upadhyay*	Vice President – Sales & Marketing	27,000		60
4		Mr. Marcus Smyth	Managing Director - Acrysil UK	27,000		60
5		Mr. Mitesh Chauhan	VP International Sales	27,000	1,35,000	60
6	B	Mr. Sandeep Vadodariya	Assistant General Manager - Materials	16,875		60
7		Mr. Dhruv Andharia	Deputy General Manager - Production	16,875		60
8		Mr. Satilal Patkari	Deputy General Manager - Production (Acrysil Steel Limited)	16,875		60
9		Mr. Yelagalavadi Raghvendrakiran	General Manager – Sales (South India)	16,875	67,500	60
10	C	Mr. Dilip J. Rajgore	Senior Manager - Production	7,500		60
11		Mr. Chetan Shah	Deputy General Manager	7,500		60
12		Mrs. Neha Poddar	Company Secretary	7,500	22,500	60
			Total		2,25,000	

* Resigned w.e.f. close of business hours on December 10, 2021 and all options were lapsed.

- b) **any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:** Nil
- c) **identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:** Nil

ANNEXURE - V (Contd.)

A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

- (a) the fair values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

No.	Particulars	ESOP-1	ESOP-2	ESOP-3
	Fair Value of Stock Options granted:			
	Fair Value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:			
1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend Yield (%)	0.34	0.34	0.34
5	Market price at the time of grant of option (₹)	354.86	354.86	354.86

- (b) the method used and the assumptions used to estimate the fair value of options granted during the year;

The fair market value has been calculated on the basis of the 'Black Scholes model'.

- (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;

The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

- (d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value is calculated using Black Scholes Option pricing model.

CORPORATE GOVERNANCE REPORT

The Board of Directors present the Company's Report on Corporate Governance pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended for the year ended March 31, 2022.

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

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is the creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process. Acrysil strives to adopt the highest standards of excellence in Corporate Governance and is compliant with the Corporate Governance provisions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in both letter and spirit.

The philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with the shareholders, employees, the government and other parties. Acrysil understands and respects its fiduciary role and responsibility to shareholders. Setting the tone at the top, your Directors cumulatively at the Board level, advocate good governance standards at Acrysil. Parameters of statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Auditors confirming compliance with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

BEST CORPORATE GOVERNANCE POLICIES

ACRYSIL LIMITED maintains the highest standards of Corporate Governance. It is the Company's constant endeavour to adopt the best corporate governance practices. Some of the best implemented global governance norms include the following:

- i) All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Company's Board of Directors.
- ii) The Company's Internal Audit is conducted by Independent Auditors.

- iii) The Company also undergoes Secretarial Audit conducted by an Independent Company Secretary who is in whole-time practice. The annual secretarial audit report placed before the Board is included in the Annual Report.

2. BOARD OF DIRECTORS

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

An active, well informed and independent Board is necessary to ensure high level of corporate governance.

I) COMPOSITION OF THE BOARD

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent director and more than fifty per cent of the Board of Directors comprised of Non-Executive Directors. The Board comprises of six Directors as on March 31, 2022 of which one is Managing Director and five are Independent Non-Executive Directors (83.33% of the Board strength), with diverse experience in different areas. The Company does not have any Nominee Director appointed by Financial Institutions. None of the Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

All Independent 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 Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board.

All the Directors have made necessary disclosures in respect of their directorship in other companies and membership/chairmanship in committees of other companies has been obtained by the Company.

The following table provides the attendance record at the Board Meeting and Annual General Meeting of

CORPORATE GOVERNANCE REPORT (Contd.)

the Company during the financial year 2021-22 and directorships, memberships and chairmanships in other public limited companies at the end of the financial year 2021-22 as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Composition of Board and category of Directors are as follows: -

Name of the Director	Category	Expertise in specific Functional Area	No. of Board Meetings attended during the FY 2021-22	Attendance at the last AGM	No. of directorships in other public companies #	No. of Committees & positions held in other public companies		List of Directorship held in other listed companies and category of directorship
						Membership	Chairmanship	
Mr. Chirag A. Parekh (DIN No: 00298807)	Promoter-Executive Chairman & Managing Director	Business Administration, Sales & Marketing	7	Yes	3	NIL	NIL	NIL
Dr. Sonal V. Ambani (DIN No: 02404841)	Independent Non-Executive Director	Business Management & Marketing & Finance	7	Yes	4	7	0	3 Independent Non-Executive Director
Mr. Jagdish R. Naik (DIN No: 00030172)	Independent Non-Executive Director	Finance	7	Yes	1	NIL	NIL	NIL
Mr. Ajit R. Sanghvi (DIN No: 00340809)	Independent Non-Executive Director	Finance	7	No	NIL	NIL	NIL	NIL
Mr. Pradeep H. Gohil (DIN No: 03022804)	Independent Non-Executive Director	Chemical Engineering	7	Yes	2	NIL	NIL	NIL
Mr. Rustam N. Mulla (DIN No: 00328070)	Independent Non-Executive Director	Legal	6	Yes	NIL	NIL	NIL	NIL

#excludes directorship in private companies, foreign companies and Section 8 companies

There is no inter-se relationship amongst any of the Directors of the Company during the year under review.

SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS

Pursuant to the Listing Regulations, the Company has set out below the table setting out the skills/expertise/competence of the Board of Directors of the Company.

Sr. No.	Name of Directors	Skill Set
1	Mr. Chirag A. Parekh	Business Administration, Sales, Marketing, knowledge about peer companies, Entrepreneurship, Environment/Sustainability/Corporate Responsibility, Strategy & Business Development, Quality Assurance, Stakeholder Communication/Investor Relations.
2	Dr. Sonal V. Ambani	Business Management & Marketing & Finance, Environment/Sustainability/Corporate Responsibility.
3	Mr. Jagdish R. Naik	Finance, Accounting & Taxation, knowledge about peer companies, Statutory/Regulatory Compliance, Risk Management & Mitigation.
4	Mr. Ajit R. Sanghvi	Finance, Accounting & Taxation, knowledge about peer companies, Statutory/Regulatory Compliance, Risk Management & Mitigation.

CORPORATE GOVERNANCE REPORT (Contd.)

Sr. No.	Name of Directors	Skill Set
5	Mr. Pradeep H. Gohil	Knowledge about peer companies, Environment/Sustainability/Corporate Responsibility, Human Resources/Industrial Relations, Risk Management & Mitigation.
6	Mr. Rustam N. Mulla	Statutory/Regulatory Compliance, Legal, Human Resources/Industrial Relations, Risk Management & Mitigation.

Confirmation as regards skills/competence/expertise of the Board of Directors:

The Board believes that the above-mentioned skills/competencies/expertise are required for the business of the Company and Directors of the Company possess this skills/competencies/expertise, which helps the Company to function effectively.

II) MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2021-22, 7 (Seven) meetings of its Board of Directors were held during the year on the following dates. The maximum time gap between any two consecutive meetings was less than 120 days.

May 20, 2021	August 05, 2021	September 22, 2021	November 11, 2021
January 27, 2022	February 02, 2022	March 26, 2022	

The necessary quorum was present for all the meetings.

During the FY 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

Proper notices and detailed agenda papers for the Board/Committee meetings along with all material information are sent well in advance to enable Directors to study deliberate, suggest and guide the Company in its decisions.

The Board at its meetings reviews various management aspects such as performance of the Company, business plans, annual budgets, capex plans, appointment/remuneration of senior management, general economic conditions, functioning of foreign subsidiaries, foreign exchange exposures, details of investor grievances and major legal issues.

Further, the Board also periodically reviews the compliance reports of applicable laws to the Company as well as steps taken to rectify instances of non-compliances, if any.

III) FAMILIARIZATION PROGRAMME

The Company familiarises its Independent Directors pursuant to the requirements of Regulation 25 of Listing Regulations with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, 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. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9390FamiliarisationProgrammeForIndependentDirectors.pdf>

IV) NO. OF SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2022

Statement showing number of equity shares of the Company held by the Non-Executive Directors as on March 31, 2022.

Sr. No.	Name of Director	No. of Shares held
1	Mr. Jagdish R. Naik	16,020
2	Mr. Ajit R. Sanghvi	NIL
3	Dr. Sonal V. Ambani	NIL
4	Mr. Pradeep H. Gohil	NIL
5	Mr. Rustam Mulla	NIL

3. COMMITTEES OF THE BOARD

The Board of Directors of the Company has Audit Committee, Stakeholders' Relationship Committee,

CORPORATE GOVERNANCE REPORT (Contd.)

Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Risk Management Committee. The composition of committees is in accordance with the Companies Act, 2013 and Listing Regulations. The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman or any member of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board Committees are setup under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees.

The details of the Committees are set out below.

I) AUDIT COMMITTEE

The Company has constituted a well-qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 as also in fulfilment of the requirements of Regulation 18 of the Listing Regulations. The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

a) TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS UNDER:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- i. overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. reviewing and examining with management the quarterly financial results before submission to the Board;

- iii. reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- iv. scrutiny of inter-corporate loans and investments made by the Company;
- v. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter;
- vi. reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- vii. approving the appointment of Chief Financial Officer after assessing the qualifications,

CORPORATE GOVERNANCE REPORT (Contd.)

- experience and background, etc. of the candidate;
- viii. recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
 - ix. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - x. reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - xi. reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - xii. discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
 - xiii. reviewing with management, Statutory Auditors and Internal Auditors, the adequacy of internal control systems;
 - xiv. recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
 - xv. reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
 - xvi. evaluating internal financial controls and risk management systems;
 - xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - xviii. valuating 'undertaking or assets' of the Company, wherever it is necessary;
 - xix. reviewing the functioning of the Whistle Blower mechanism;
 - xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
 - xxi. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary;
 - xxii. Review of Management discussion and analysis of financial condition and results of operations; and
 - xxiii. Statement of deviations:
 - a. Quarterly statement of deviations(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in the terms of Regulation 32(7).

b) COMPOSITION

The Audit Committee comprises of experts specialising in accounting/financial management. The details of the composition of the Audit Committee of the Company as well as the attendance of the Members at the same are summarised below:

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Jagdish R. Naik	Independent Non- Executive	Chairman	6	6
Mr. Chirag A. Parekh	Promoter- Executive	Member	6	6
Dr. Sonal V. Ambani	Independent Non- Executive	Member	6	6
Mr. Ajit R. Sanghvi	Independent Non- Executive	Member	6	6
Mr. PradeepH.Gohil	Independent Non- Executive	Member	6	6
Mr. Rustam N. Mulla	Independent Non- Executive	Member	6	5

CORPORATE GOVERNANCE REPORT (Contd.)

c) MEETINGS HELD

The Committee met 6 (six) times during the financial year 2021-22 on the following dates:

May 20, 2021	August 05, 2021	September 22, 2021
November 11, 2021	February 02, 2022	March 26, 2022

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held during the year under review.

The Statutory Auditors, Internal Auditors, and Chief Financial Officer are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

ii) NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee's constitution and terms of references are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the Listing Regulations.

The scope of activities of the Nomination and Remuneration Committee include:

b) COMPOSITION

The Nomination and Remuneration Committee comprises of 5 (Five) Non-Executive Directors, the Chairman being Non-Executive and Independent. The Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of the Nomination and Remuneration Committee as well as the particulars of attendance at the Nomination and Remuneration Committee Meetings is as under:

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradeep H. Gohil	Independent – Non- Executive	Chairman	3	3
Dr. Sonal V. Ambani	Independent – Non- Executive	Member	3	3
Mr. Jagdish R. Naik	Independent – Non- Executive	Member	3	3
Mr. Ajit R. Sanghvi	Independent – Non- Executive	Member	3	3
Mr. Rustam N. Mulla	Independent – Non- Executive	Member	3	3

c) MEETINGS HELD

The Committee met 3 (three) times during the financial year 2021-22 on the following dates:

May 20, 2021	August 05, 2021	March 26, 2022
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a) TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Identifying persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- To devise a policy on Board diversity;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance valuation of independent directors; and
- To perform such other functions or duties as may be delegated by the Board.

CORPORATE GOVERNANCE REPORT (Contd.)

d) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Performance Evaluation of Independent Directors is done by the entire Board of Directors except the Director whose evaluation is being done. The Board also evaluates if the Independent Directors fulfil the criteria of independence as laid down in the Companies Act, 2013, Rules framed thereunder and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

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 etc. The performance evaluation of the Managing Director was based on business achievements of the Company.

e) Nomination and Remuneration Policy:

i) Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Board of Directors attended by them. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. The Appointment Letter issued to the Independent Director is available on the website of the Company www.acrysilcorporateinfo.com.

ii) Remuneration to Executive Director:

The appointment and remuneration of Chairman and Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolution passed by the Board of Directors and shareholders of the Company. The break-up of the pay scale, performance bonus/commission and quantum of perquisites including, employer's contribution to PF, pension scheme, medical

expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders wherever required. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The Nomination and Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

The Board has, on recommendation of the Nomination and Remuneration Committee framed a policy on remuneration of Directors, Key Managerial Personnel and Senior Management Employees.

Details of Remuneration paid during the Financial Year 2021-22:

The remuneration paid by Company to Mr. Chirag A. Parekh, Chairman & Managing Director during the financial year 2021-22 is ₹ 336.56 Lakhs p.a. This includes Commission.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

The details of remuneration paid to Non-Executive Directors during the Financial Year 2021-22 are as given below:

(₹ in Lakhs)	
Name of Directors	Sitting Fees
Dr. Sonal V. Ambani	3.55
Mr. Jagdish R. Naik	3.35
Mr. Ajit R. Sanghavi	3.35
Mr. Rustam N. Mulla	2.70
Mr. Pradeep H. Gohil	3.35

iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of Section 178 of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of member

CORPORATE GOVERNANCE REPORT (Contd.)

correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders' Relationship Committee Meeting which meets at quarterly intervals.

a) TERMS OF REFERENCE OF STAKEHOLDERS RELATIONSHIP COMMITTEE

- i. To resolve the grievances of the security shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new duplicate certificates, general meetings, etc;
- ii. To review measures taken for effective exercise of voting rights by shareholders;
- iii. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. To review the various measures and initiatives taken by the Company for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- v. To review and note Transfer/Transmission/ Dematerialisation of Equity Shares of the Company;
- vi. To issue duplicate share certificates as and when the requests are received by the Company;
- vii. To review correspondence with the shareholders vis-à-vis legal cases and take appropriate decisions in that regard;
- viii. To look into the various aspects of interest of shareholders; and
- ix. To do all acts, deeds and things as may be required to be undertaken in terms of the provisions of Companies Act, 2013 and rules made there under.

b) COMPOSITION

Stakeholders Relationship Committee comprises of 4 (Four) Directors, of which One is Executive Director and 3 (Three) are Independent Directors. The detailed constitution and attendance at the committee meetings is as under:

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ajit R. Sanghvi	Independent-Non-Executive Director	Chairman	4	4
Mr. Chirag A. Parekh	Promoter- Executive	Member	4	4
Dr. Sonal V. Ambani	Independent- Non-Executive Director	Member	4	4
Mr. Jagdish R. Naik	Independent-Non-Executive Director	Member	4	4

c) MEETINGS HELD

The Committee met 4 (four) times during the financial year 2021-22 on the following dates:

May 20, 2021	August 05, 2021	November 11, 2021	February 02, 2022
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CORPORATE GOVERNANCE REPORT (Contd.)

d) DETAILS OF SHAREHOLDERS COMPLAINTS DURING FY 2021-22 :

The status of investor grievances received during the financial year 2021-22 is as follows:

No. of Complaints pending as on April 01, 2021:	Nil
No. of Complaints/queries received during the year:	07
No. of Complaints resolved during the year:	07
No. of Complaints pending as on March 31, 2022	Nil

iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility committee was formed pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Policy of the Company is available on the website of

b) COMPOSITION

The composition and attendance of the CSR Committee, during the year is as follows:

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Chirag A. Parekh	Promoter-Executive	Chairman	4	4
Dr. Sonal V. Ambani	Independent- Non-Executive Director	Member	4	4
Mr. Pradeep H. Gohil	Independent- Non-Executive Director	Member	4	4

c) MEETINGS HELD

The Company held 4 (four) meetings of its Corporate Social Responsibility Committee during the year on the following dates:

May 20, 2021	August 05, 2021	November 11, 2021	February 02, 2022
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the Company under 'Company Policies' in the 'Investor Relation' section.

a) TERMS OF REFERENCE OF CSR COMMITTEE

- i. Formulating and recommending to the Board, the CSR policy and indicating activities to be undertaken;
- ii. Decide the CSR Projects or Programs to be taken up by the Company either directly or through registered trust or registered society or a Company established by the Company or its holding or subsidiary or associate Company under Section 8 of the Act or otherwise;
- iii. Place before the Board the CSR projects or programs proposed to be taken up by the Company for approval, each year;
- iv. Define and monitor the Budgets for the carrying out the Projects or Programs;
- v. Recommending the amount of expenditure for the CSR activities;
- vi. Oversee the progress of the CSR Projects or Programs rolled out under this Policy as may be required;
- vii. Submit a Report to the Board on all CSR Activities undertaken during the Financial Year; and
- viii. Monitor and Review the implementation of the CSR Policy.

CORPORATE GOVERNANCE REPORT (Contd.)

v) RISK MANAGEMENT COMMITTEE

Composition

The Company has a well-defined risk management framework in place which works at various levels across the Company. This framework is periodically reviewed to ensure that executive management controls risks by means of a properly defined framework. The Company also has an Enterprise risk management policy to identify and mitigate various risks including financial, operational, sectoral, sustainability, information and cyber security risks. In terms of Regulation 21 of the SEBI Listing Regulations, the Board has constituted a Risk Management Committee, the composition of which as on March 31, 2022 is as under:

Name of the Members	Category	Position	No. of Meetings	
			Held	Attended
Mr. Chirag A. Parekh	Chairman & Managing Director	Chairman	2	2
Mr. Pradeep H. Gohil	Director	Member	2	2
Mr. Anand Sharma	Chief Financial Officer	Member	2	2

Meetings

During the year under review, two meetings of the Committee were held on November 9, 2021 and March 26, 2022 and the same were attended by all the members of the Committee.

Terms of Reference

The function and powers of the Committee inter alia includes:

1. To formulate a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
7. Carry out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

CORPORATE GOVERNANCE REPORT (Contd.)

v) INDEPENDENT DIRECTORS' MEETING

The Company's Independent Directors shall meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

During the year under review, the Independent Directors met on 26th March, 2022, inter alia, to:

- Evaluate the performance of the Non Independent Directors and the Board of Directors as a Whole;
- Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and Non - Executive Directors; and
- Evaluate the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

vi) GENERAL MEETINGS

a. Annual General Meetings:

The details of last three Annual General Meetings held are provided as under:

Year	Location	Day/date	Time	Details of Special Resolution
2018-19	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra - 400020	Friday, September 13, 2019	03:30 P.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Chirag A. Parekh (DIN No.: 00298807) as a Chairman and Managing Director of the Company. 2. Re-appointment of Mr. Jagdish R. Naik (DIN No.: 00030172) as an Independent Director of the Company. 3. Re-appointment of Mr. Pradeep H. Gohil (DIN No.: 03022804) as an Independent Director of the Company. 4. Re-appointment of Mr. Ajit R. Sanghvi (DIN No: 00340809) as an Independent Director of the Company.
2019-20	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	Monday, September 28, 2020	03:30 P.M.	<ol style="list-style-type: none"> 1. Re-appointment of Dr. Sonal V. Ambani (DIN: 02404841) as an Independent Director of the Company.
2020-21	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	Wednesday, September 22, 2021	03:30 P.M.	<ol style="list-style-type: none"> 1. To consider Increase in the Borrowing Powers of the Company. 2. To create a charge/security on the assets with respect to borrowing. 3. To re-appoint Mr. Chirag A. Parekh (DIN: 00298807) as Managing Director. 4. To issue securities to Qualified Institutional Buyers.

CORPORATE GOVERNANCE REPORT (Contd.)

b. Extra Ordinary General Meeting:

The details of last three Extra Ordinary General Meetings held are provided as under:

Year	Location	Day/date	Time	Details of Special Resolution
2018-19	The Mirador, Link Road, Chakala, Andheri East, Mumbai, Maharashtra 400 099	Wednesday, May 09, 2018	03:00 P.M.	1. Issue of Convertible Warrants on preferential basis.
2018-19	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400020	Friday, December 21, 2018	01:00 PM	1. Sub-division of Face Value of Equity Shares of the Company; 2. Alteration of the Capital Clause in the Memorandum of Association.
2019-20	No extra ordinary general meeting held during the year			
2020-21	No extra ordinary general meeting held during the year			

c. Resolution passed through Postal Ballot:

During the year, the Company has passed Postal Ballot Resolution on May 03, 2021, for approval of the following resolutions:

- i. Approval of "Acrysil Limited – Employee Stock Option Plan 2021" and grant of Employee Stock Options to Employees of the Company;
- ii. Grant of Employee Stock Options to Employees of Subsidiaries.

The Company has also formulated Policy on determining Material Subsidiaries as required under the provisions of the Listing Regulations which has been approved by the Board and the same is available on the website of the Company i.e. www.acrysilcorporateinfo.com.

All Related Party transactions are entered in compliance to the provisions of law, the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions were entered with the prior approval of Audit Committee, Board and Shareholders, if and as applicable.

The Company did not enter into any materially significant transactions with Promoters, Directors or the Management, their subsidiaries or relatives etc., which were in conflict with the interest of the Company. Details of Related Party Transactions are provided in Note No.37 of notes forming part of financial statements. Necessary approvals have been obtained wherever required. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

4. DISCLOSURES:

(i) Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the Listing Regulations.

(ii) Related Party Transactions

Pursuant to the Listing Regulations and applicable provisions of the Companies Act, 2013, the Company has formulated policy for dealing with Related Party transactions. All the transactions entered into Company during the year with related parties were in ordinary course of business. Transactions with every Related Party were entered as per the provisions of the law and the Related Party Policy. The Policy for dealing with Related Party transactions is available on the website of the Company i.e. www.acrysilcorporateinfo.com. In line with the SEBI Listing Regulations, the policy has been amended suitably.

(iii) Prevention of Sexual Harassment at workplace Policy

Company has in place prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

All women employees (permanent, contract, temporary, trainees) are covered under the policy.

CORPORATE GOVERNANCE REPORT (Contd.)

Internal Complaints Committee has been set up to receive complaints, investigate the matter and report to the management for redressal of complaints of sexual harassment. During the year under review, no complaints were received by the committee.

(iv) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during last three Financial Years

The Company has complied with all the requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital markets during the last three financial years.

(v) Vigil Mechanism/Whistle Blower Policy

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all the stakeholders to raise concerns about any misconduct or unacceptable practice.

The Company has institutionalised a Vigil Mechanism for the Stakeholders to disclose their concerns and grievances on unethical behaviour and improper/illegal practices and wrongful conduct taking place in the Company for appropriate action through the adoption of a Whistle Blower Policy as per Section 177(9) and (10) and Regulation 22 of Listing Regulations. 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 in good faith and any Stakeholder assisting the investigation and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases.

None of the personnel of the Company have been denied access to the Audit Committee. The Policy has been uploaded on website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9512vigil-mechanism.pdf>.

(vi) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(vii) Commodity price risk and Commodity hedging activities

The Company does not have any exposure of any commodity and accordingly, no hedging activities for the same are carried out.

(viii) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.

(ix) A Certificate from a Company Secretary in Practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

(x) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year

Not Applicable

(xi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Details relating to fees paid to the Statutory Auditors are given in Note No.29 to the Standalone Financial

CORPORATE GOVERNANCE REPORT (Contd.)

Statements and Note No.28 to the Consolidated Financial Statements.

(xii) Non-mandatory requirements

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

(xiii) Details of Adoption of Non-Mandatory (Discretionary Requirements)

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations.

The status of compliance with non-mandatory requirements of the Listing Regulations is as under:

a. The Board

The requirements relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

b. Shareholders Right

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to the Stock Exchanges and updated on the website of the Company.

c. Modified opinion(s) in Audit Report

There are no modified opinions in audit report.

d. Reporting of an Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

(xiv) Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Directors & Senior Management ('the

Code'). The Code is applicable to the members of the Board and senior executive officers of the Company. The Code is available on the website of the Company and at the link <http://www.acrysilcorporateinfo.com/public/upload/pdf/94151.%20Code%20of%20Conduct%20for%20Directors%20&%20Senior%20Management.pdf>.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2021-22. A declaration to this effect in terms of Regulation 26 of the SEBI Listing Regulations forms part of the Annual Report.

INSIDER TRADING CODE

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations").

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and Designated Persons as defined in the Code. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Code is suitably amended, from time to time to incorporate the amendments carried out by SEBI to PIT Regulations.

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations. The Company has enabled the Promoters, Promoter's Group, Directors and Designated Persons to submit their Disclosures and take requisite approvals under the PIT Regulations. This also facilitates updation of their shareholding in the Company as well as details of their immediate relatives and the persons with whom they share material financial relationship in a seamless manner.

The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations to the Board w.r.t. action taken against such defaulters. The said non-compliances are promptly intimated to Stock Exchanges in the prescribed format and penalty, if any is being directly deposited by the Designated Person with SEBI's Investor Education and Protection Fund.

The Company has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Practices and Procedures for Fair Disclosure of UPSI as per the requirements of the PIT Regulations. The Company Secretary is the Compliance Officer for ensuring implementation of the code for fair disclosure and conduct. The Board and designated persons have affirmed compliance with the Code. This Code is displayed on the Company's website viz., www.acrysilcorporateinfo.com.

(xv) CMD /CFO Certification

As required under Regulation 17(8) of the SEBI Listing Regulations, the Chairman & Managing Director and the Chief Financial Officer of the Company have certified regarding the Financial Statements for the year ended March 31, 2022, which is annexed to this Report.

(xvi) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

(xvii) Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

(xviii) MEANS OF COMMUNICATION

Financial Results:

- The Company publishes limited reviewed unaudited financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.
- The unaudited quarterly and summarised audited annual results of the Company are

generally published in the dailies published viz. Economic Times (English), Business Standard (English) and Mumbai Lakshdweep (Marathi).

- The financial results and the official news releases are also placed on the Company's website www.acrysilcorporateinfo.com in the 'Investor Relations' section.
- Presentations made to institutional investors or to the analysts.
- Management Discussion and Analysis forms part of the Annual Report.

(xix) GENERAL SHAREHOLDER INFORMATION

a. 35th Annual General Meeting

AGM- 35th Annual General Meeting

Date - September 29, 2022

Time - 03:30 P.M.

Venue - Video Conferencing/Other Audio Visual Means

b. Financial Year- April 01, 2022 to March 31, 2023

First Quarter Results	By second week of August, 2022
Half Yearly results	By second week of November, 2022
Third quarter results	By second week of February, 2023
Results of year end	By end of May, 2023

c. Dates of Book Closure: September 09, 2022 to September 13, 2022 (Both days inclusive).

d. Dividend payment date: The proposed dividend, if approved at the ensuing Annual General Meeting will be distributed before October 22, 2022.

e. Listing on Stock Exchange:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code: 524091	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1 'G' Block, Bandra – Kurla Complex Bandra East, Mumbai 400 051 Trading Symbol: ACRYSil
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The Company has paid Listing Fees for the FY 2021-22 to the Stock Exchanges.

ISIN: INE482D01024

CORPORATE GOVERNANCE REPORT (Contd.)

f. Market Price Data:

The monthly high and low price and volume of shares traded during the year 2021-22 on the BSE Limited:

Month	BSE Limited		
	High (₹)	Low (₹)	Volume of Shares traded during the month (Nos.)
April, 2021	398.40	308.00	4,56,702
May, 2021	577.00	309.00	12,22,532
June, 2021	666.70	492.25	9,75,885
July, 2021	649.80	563.65	2,72,893
August, 2021	712.00	561.00	4,90,906
September, 2021	834.00	600.00	3,87,386
October, 2021	817.00	660.45	4,27,338
November, 2021	913.10	706.15	5,30,028
December, 2021	935.00	775.00	2,75,756
January, 2022	864.40	708.80	2,01,663
February, 2022	827.95	658.00	2,22,409
March, 2022	878.55	667.00	3,93,909

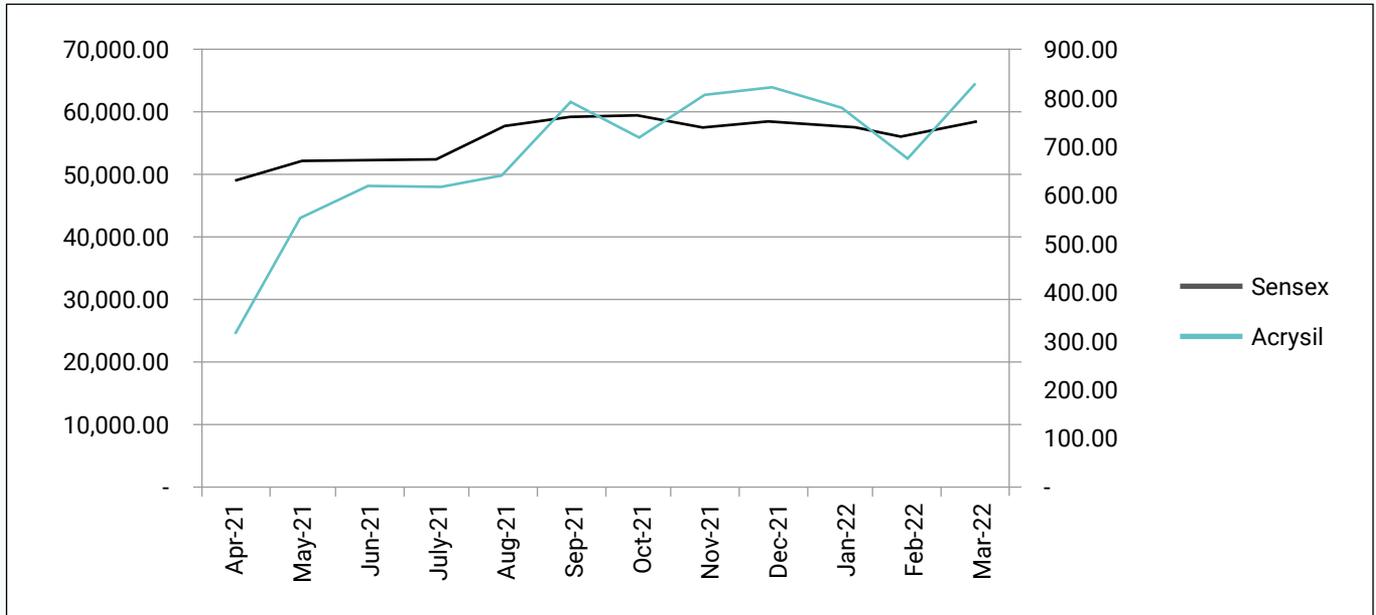
The monthly high and low price and volume of shares traded during the year 2021-22 on the National Stock Exchange of India Limited:

Month	National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume of Shares traded during the month (Nos.)
April, 2021	393.55	307.55	22,20,556
May, 2021	576.80	309.00	78,40,617
June, 2021	666.80	492.15	53,15,366
July, 2021	649.60	574.70	16,41,450
August, 2021	702.00	561.00	27,22,196
September, 2021	830.00	603.05	25,91,182
October, 2021	814.80	654.05	21,33,186
November, 2021	915.90	708.50	27,70,569
December, 2021	915.00	785.00	18,52,613
January, 2022	859.00	707.00	12,72,631
February, 2022	830.00	655.00	15,92,979
March, 2022	879.00	666.50	23,10,742

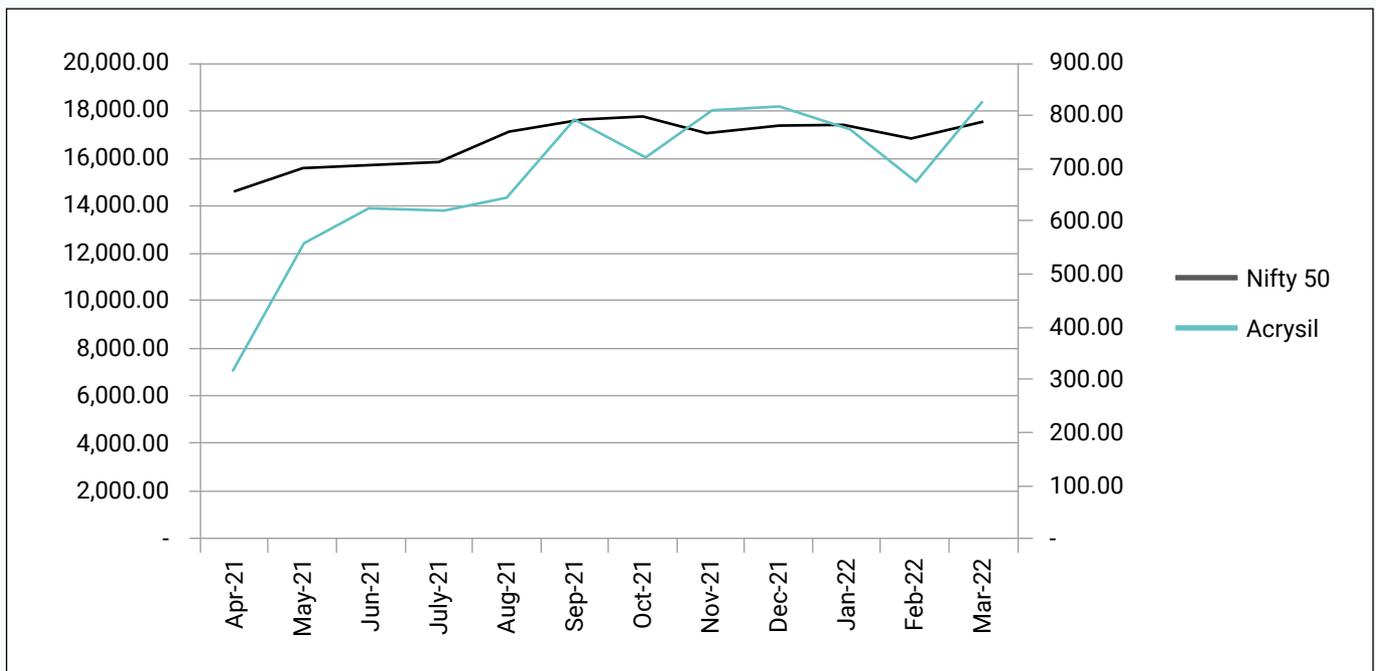
CORPORATE GOVERNANCE REPORT (Contd.)

g. Performance of share price in comparison with the BSE Sensex:

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended March 31, 2022 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on National Stock Exchange of India Limited vis-à-vis the movement of the NSE Nifty for the financial year ended March 31, 2022 (based on month end closing):



CORPORATE GOVERNANCE REPORT (Contd.)

h. Disclosure of securities that are suspended from trading: Not Applicable

i. Registrar and Transfer Agents

Bigshare Services Private Limited
Office No. S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East), Mumbai - 400093,
Maharashtra - Tel: 022 62638200
E-mail: investor@bigshareonline.com

j. Share Transfer System

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 01, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them and participate in various corporate actions.

k. Nomination facility for shareholding

Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA. Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard. Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL.

l. Distribution of Shareholdings as on March 31, 2022

Category (Shares)	No. of Shareholders	% of shareholders	No. of Shares	% of Shareholding
1-500	46,935	93.81	24,98,250	9.36
501-1000	1421	2.84	10,66,863	3.99
1001-2000	830	1.66	11,92,951	4.47
2001-3000	304	0.61	7,64,332	2.86
3001-4000	131	0.26	4,66,350	1.75
4001-5000	83	0.17	3,83,119	1.44
5001-10000	171	0.34	12,01,336	4.50
10001 & Above	155	0.31	1,91,21,679	71.63
TOTAL	50,030	100.00	2,66,94,880	100.00

m. Shareholding Pattern of Equity Shares as on March 31, 2022

Category	No. of Shareholders	No. of Shares held	% of total paid up
Promoters	7	1,03,74,990	38.87
Foreign Portfolio Investors	8	95,689	0.36
Bodies Corporate	213	7,89,977	2.96
Clearing Member	95	66,492	0.25
Director or Director's Relatives	8	1,44,700	0.54
Non-Resident Indians (NRI)	1,226	6,35,375	2.38
Alternative Investment Funds	2	16,65,550	6.24

CORPORATE GOVERNANCE REPORT (Contd.)

Category	No. of Shareholders	No. of Shares held	% of total paid up
Public	48,467	1,10,24,127	41.3
IEPF	1	4,24,353	1.59
Unclaimed Suspense Account	1	91,285	0.34
Trusts	1	582	0.00
TOTAL	50,030	2,66,94,880	100.00

n. Dematerialisation of Shares and Liquidity

97.53% of the Company's share capital is held in dematerialised form as on March 31, 2022. The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. The break-up of equity shares held in Physical and dematerialised form as on March 31, 2022, is given below:

Category	No. of Shares	Percentage
NSDL	2,14,22,824	80.25
CDSL	46,13,681	17.28
Physical	6,58,375	2.47
Total	2,66,94,880	100.00

o. Address of Registrar for Dematerialisation of Shares.

Bigshare Services Private Limited
Office No. S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East), Mumbai - 400093,
Maharashtra - Tel: 022 62638200
E-mail: investor@bigshareonline.com

p. Outstanding ADRs/GDRs/Convertible Warrants or any convertible Instruments: N.A.

q. Factory:

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

r. Address for correspondence with the Company:

Registered Office:
Acrysil Limited
A-702, 7th Floor, Kanakia Wall Street,
Chakala, Andheri Kurla Road, Andheri (East),
Mumbai - 400 093

Tel.: 022-4190 2000

CIN: L26914MH1987PLC042283

Website: www.acrysilcorporateinfo.com

E-mail: cs.al@acrysil.com

s. Registrar and Transfer Agents (RTA):

Bigshare Services Private Limited
Office No. S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East), Mumbai - 400093,
Maharashtra - Tel: 022 62638200
E-mail: investor@bigshareonline.com

t. Credit Ratings

On November 19, 2021, ICRA has upgraded the Long Term Debt rating of the Company. The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited during the Financial Year 2021-22 as given below:

Instrument	Rating
Long Term Debt	ICRA A (Stable)
Short Term Debt	ICRA A2+

u. Unpaid and Unclaimed Dividends:

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unpaid or unclaimed dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.acrysilcorporateinfo.com.

CORPORATE GOVERNANCE REPORT (Contd.)

The Nodal Officer of the Company for IEPF Refunds Process is Mrs. Neha Anup Poddar whose e-mail id is cs.al@acrysil.com.

v. Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also

be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPF, to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPF.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

w. Details of Unclaimed/unpaid Dividend as on March 31, 2022 and due dates for transfers are as follows:

Sr. No.	Financial Year	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF
1.	2014-15	September 25, 2015	6,28,968.00	November 27, 2022
2.	2015-16	September 24, 2016	8,47,200.00	November 26, 2023
3.	2016-17	September 20, 2017	8,26,875.00	November 22, 2024
4.	2017-18	September 27, 2018	7,26,700.00	November 29, 2025
5.	2018-19	September 13, 2019	7,02,195.60	November 15, 2026
6.	2019-20	September 28, 2020	5,83,100.20	December 10, 2027
7.	2020-21	February 05, 2021	3,61,835.80	April 29, 2028
8.	2020-21	September 22, 2021	5,52,529.60	November 24, 2028
9.	2021-22	February 02, 2022	96,327.80	April 6, 2029

During the Year under review, the Company has transferred Unclaimed Dividend of ₹ 6,64,052/- to Investor Education and Protection Fund which was declared in Financial Year 2013-14.

As per Regulation 34(3) read with Schedule V of the listing Regulations, 91285 shares of the Company is lying in the Suspense Account.

CORPORATE GOVERNANCE REPORT (Contd.)

5. EMPLOYEE STOCK OPTION SCHEME

Acrysil Limited - Employee Stock Option Plan 2021

During the year, the Board of Directors ("the Board") of the Company at its meeting held on March 18, 2021, based on the recommendation of the Nomination & Remuneration Committee, approved introduction of Acrysil Limited - Employees Stock Option Plan 2021 ("ESOP-2021") under which the maximum number of equity shares of the Company that could be created, offered, issued and allotted should not exceed 3,00,000 (Three Lakhs) options exercisable into equivalent number of Equity Shares of ₹ 2/- each fully paid up of the Company.

The synopsis of the Scheme is as under:

- i) Overall limit of 3,00,000 Options
- ii) The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and/or to the directors of the Company, whether whole-time or not and to such other persons as may be decided by the Board and/or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees'), but excluding an Independent Director(s), an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
- iii) Permanent employee(s) and Directors of any existing and future subsidiary company(ies) of the Company whether in or outside India, as may be permissible under the SEBI ESOP Regulations from time to time,
- iv) The Exercise Price shall be ₹ 60/- per Equity Share payable at the time of exercise of Options.
- v) The Company sought and received Shareholder's approval for the said Scheme through Postal Ballot on May 03, 2021.
- vi) Under the Scheme, 2,25,000 Options were granted to eligible employees on May 20, 2021 by the Company at an exercise price of ₹ 60/- per option. None of the options granted are vested or exercised as on March 31, 2022.

DECLARATION

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Acrysil Limited Code of Business Conduct and Ethics for the year ended March 31, 2022.

For Acrysil Limited

CHIRAG A. PAREKH

(DIN: 00298807)

Chairman & Managing Director

Date: May 17, 2022

Place: Bhavnagar

Registered Office:

A-702, 7th Floor, Kanakia Wall Street,
Chakala, Andheri Kurla Road, Andheri (East),

Mumbai - 400 093

Tel.: 022-4190 2000

CIN: L26914MH1987PLC042283

E-mail: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

CHAIRMAN AND MANAGING DIRECTOR [CMD] AND CHIEF FINANCIAL OFFICER [CFO] CERTIFICATION

To

The Board of Directors,

Acrysil Limited

As required under the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations] read with Schedule II part B of the Listing Regulations;

We hereby certify for the financial year ended March 31, 2022 that:

- a. We have reviewed financial statements of Acrysil Limited for the year 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 violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated 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
Chairman & Managing Director
(DIN: 00298807)

Bhavnagar
May 17, 2022

ANAND H. SHARMA
Chief Financial Officer

Mumbai
May 17, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
**The Members of
Acrysil Limited**

B-307, Citi Point, Andheri Kurla Road,
J. B. Nagar, Andheri (E), Mumbai – 400 059

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Acrysil Limited having CIN L26914MH1987PLC042283 and having registered office at B-307, Citi Point, Andheri Kurla Road, J. B. Nagar, Andheri (E), Mumbai – 400 059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Jagdish Ramanlal Naik	00030172	29/03/1989
2.	Chirag Ashwin Parekh	00298807	02/11/2002
3.	Rustam Navel Mulla	00328070	17/03/2020
4.	Ajit Rasiklal Sanghvi	00340809	31/01/2000
5.	Sonal Vimal Ambani	02404841	23/05/2016
6.	Pradeep Hardevsinhji Gohil	03022804	28/01/2013

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. P. Shah & Co.

PRADIP SHAH

Practicing Company Secretaries

FCS No. 1483, C P No.: 436

UDIN: F001483D000133494

Place: Mumbai

Date: April 15, 2022

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members of
ACRYSIL LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **Acrysil Limited** ("the Company") for the year ended March 31, 2022 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

MANAGEMENTS' RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITORS' RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI") and Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2022.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

RESTRICTION ON USE

9. The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For P A R K & COMPANY
Chartered Accountants
FRN: 116825W

ASHISH DAVE

Partner

Membership No. 170275

UDIN: 22170275AJCUMB5911

Bhavnagar
May 17, 2022

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26914MH1987PLC042283
2.	Name of the Company	Acrysil Limited
3.	Registered address	A 702, 7th floor, Kanakia Wall Street, Andheri-Kurla Road, J. B. Nagar, Andheri (East), Mumbai – 400 093. Tel: +91-4190 2000
4.	Website	www.acrysilcorporateinfo.com
5.	E-mail id	cs.al@acrysil.com
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Sector: Kitchen & Bath Products NIC Code: 22209 BSE Scrip Code: 524091 NSE Symbol: ACRYSil
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Kitchen Sinks, Appliances & Bath Products
9.	Total number of locations where business activity is undertaken by the Company: a) Number of International Locations b) Number of National Locations	a) UK, USA, Germany, France, Australia b) PAN India Details of plant location of the Company are provided under the head 'General Shareholder Information' in the Corporate Governance Report
10.	Markets served by the Company – Local/State/National/International	National & International Markets are served by the Company

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹)	₹ 5.34 Crore
2.	Total Turnover (₹)	₹ 483.90 Crore
3.	Total profit after taxes (₹)	₹ 65.26 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total amount spent towards CSR ₹ 57.43 Lakhs; Budgeted CSR Expenditure: ₹ 49.10 Lakhs; Excess CSR Amount Spent in 2020-21: ₹ 3.03 Lakhs; Eligible CSR Amount for the 2021-22: ₹ 46.07 Lakhs; Excess CSR amount spent in 2021-22: ₹ 11.36 Lakhs
5.	List of activities in which expenditure in 4 above has been incurred: -	Please refer to the Annexure of the Annual Report.

SECTION C: OTHER DETAILS

1. DOES THE COMPANY HAVE ANY SUBSIDIARY COMPANY/COMPANIES?

Yes, the Company has the following subsidiaries:

- Acrysil UK Limited
- Acrysil Products Limited, Step-Down Subsidiary (Subsidiary of Acrysil UK Limited)
- Tickford Orange Limited, Step-Down Subsidiary (Subsidiary of Acrysil UK Limited)
- Acrysil GmbH
- Acrysil USA Inc.
- Acrysil Steel Limited

BUSINESS RESPONSIBILITY REPORT (Contd.)

- Carysil Online Limited (Formerly known as Acrysil Appliances Limited)
- Sternhagen Bath Private Limited
- Acrysil Ceramictech Limited

2. DO THE SUBSIDIARY COMPANY/COMPANIES PARTICIPATE IN THE BR INITIATIVES OF THE PARENT COMPANY? IF YES, THEN INDICATE THE NUMBER OF SUCH SUBSIDIARY COMPANY(S)

The Subsidiary Companies are separate legal entities and follow BR initiatives as per Rules and Regulations as applicable to them.

3. DO ANY OTHER ENTITY/ENTITIES (E.G., SUPPLIERS, DISTRIBUTORS ETC.) THAT THE COMPANY DOES BUSINESS WITH, PARTICIPATE IN THE BR INITIATIVES OF THE COMPANY? IF YES, THEN INDICATE THE PERCENTAGE OF SUCH ENTITY/ENTITIES? [LESS THAN 30%, 30-60%, THAN 60%]

N/A. Currently the Company does not involve other entity/entities such as suppliers and distributors in the BR initiative by the Company. We plan to address this in the future.

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR/ DIRECTORS RESPONSIBLE FOR BR

(a) Details of the Director/ Director responsible for implementation of the BR policy/ policies

1. DIN Number 00298807
2. Name: Mr. Chirag A. Parekh
3. Designation: Chairman & Managing Director

(b) Details of the BR head

No.	Particulars	Details
1.	DIN Number (if applicable)	00298807
2.	Name	Mr. Chirag A. Parekh
3.	Designation	Chairman and Managing Director
4.	Telephone number	022-4190 2000
5.	e-mail id	cs.al@acrysil.com

2. PRINCIPLE-WISE (AS PER NVGS) BR POLICY/POLICIES

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policy for: Yes, the Company has several policies in place to address the Principles.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders? Yes, For all Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words) Yes. The Company is certified for ISO 9001: 2015; ISO 14001: 2015; ISO 45001: 2018	Y	Y	Y	Y	Y	Y	Y	Y	Y

BUSINESS RESPONSIBILITY REPORT (Contd.)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4.	<p>Has the policy been approved by the Board? Yes, The Policies are approved by the Board.</p> <p>If yes, has it been signed by MD/ owner/ CEO/ appropriate Board of Director? The Policies are signed by the Authorised Person</p>	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	<p>Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? Yes, the Company has Committees in place to oversee the implementation of the policies.</p>	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	<p>Indicate the link for the policy to be viewed online?</p> <p>CSR Policy: http://www.acrysilcorporateinfo.com/public/upload/pdf/3806Revised_CSR%20Policy%20of%20Acrysil%20Limited%20w.e.f.%2013.02.2018.pdf</p> <p>Risk Management Policy: http://www.acrysilcorporateinfo.com/public/upload/pdf/1902risk-management-policy.pdf</p> <p>Code of Conduct Policy: http://www.acrysilcorporateinfo.com/public/upload/pdf/5286CODE%20OF%20CONDUCT%20FOR%20PREVENTION%20OF%20INSIDER%20TRADING.pdf</p> <p>Vigil Mechanism Policy: https://www.acrysilcorporateinfo.com/public/upload/pdf/9512vigil-mechanism.pdf</p>	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders? Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies? Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	NA								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA								
3.	The Company does not have financial or manpower resources available for the task	NA								
4.	It is planned to be done within next 6 months	NA								
5.	It is planned to be done within the next 1 year	NA								
6.	Any other reason (please specify)	NA								

BUSINESS RESPONSIBILITY REPORT (Contd.)

3. GOVERNANCE RELATED TO BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year

The BR performance of the Company is periodically assessed by the BR Head during the year.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time), the Company publishes its Business Responsibility Report annually as an Annexure to the Board's Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

Yes, the Company adopted a Whistle Blower Policy of the Company for establishing a vigil mechanism for directors and employees to report genuine concerns regarding fraud or unethical behaviour as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It does not extend to the Group.

Whistle Blower Policy Link:

<http://www.acrysilcorporateinfo.com/public/upload/pdf/9512vigil-mechanism.pdf>

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has in place, an effective mechanism for dealing with complaints received from various stakeholders. The details of shareholders complaints received and resolved during the financial year 2021-22 are provided in the Corporate Governance Report, which is also an integral part of the Board's Report.

PRINCIPLE 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- (a) We have installed Solar panels at the Company's Factory.
- (b) We have started using natural gas i.e., PNG that has less Carbon Dioxide emissions.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

- (a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

NA.

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

We have installed the same during the FY 2021-22 hence the comparable figure is not available.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No, the Company currently does not have a sustainable sourcing procedure in place. The Company is working on sustainable sourcing (including transportation) and will address it in the future.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company partially procures its raw materials from local and small producers.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

No

BUSINESS RESPONSIBILITY REPORT (Contd.)

PRINCIPLE 3

1. Please indicate the Total number of employees. 539
2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis. 549
3. Please indicate the Number of permanent women employees. 28
4. Please indicate the Number of permanent employees with disabilities:

The Company currently has adequate number of permanent employees with disabilities.

5. Do you have an employee association that is recognised by management?

Yes

6. What percentage of your permanent employees is members of this recognised employee association?

31 workers are members of the Worker Union in the Company.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

- (a) Permanent Employees
- (b) Permanent Women Employees
- (c) Casual/ Temporary/ Contractual Employees
- (d) Employees with Disabilities

The Company has conducted 36 types of training that cover safety & skill up-gradation. A total of 1,712 employees have been trained in the last year.

PRINCIPLE 4

1. Has the Company mapped its internal and external stakeholders? Yes/No:

Yes. The Company is in the processing of mapping all the stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.

The Company is in the process of figuring out disadvantaged, vulnerable & marginalised stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

NA. Currently the Company has not taken any special initiatives to engage with the disadvantaged, vulnerable and marginalised stakeholders but will address this in the future.

PRINCIPLE 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

Yes, the Company ethically and responsibly abides by all the laws of the government of India. We are working towards addressing a policy that covers human rights in the future.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

In total during the past year, 7 complaints have been received by the Company and all the complaints were resolved by the end of the year.

PRINCIPLE 6

1. Does the policy relate to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

As of now, the policy only covers the Company. There is an Environmental Policy framed by the Company and various audits are conducted.

BUSINESS RESPONSIBILITY REPORT (Contd.)

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. The Company has a policy framed to address Global Environmental issues.

3. **Does the Company identify and assess potential environmental risks? Y/N**

Yes.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

We have started using natural gas i.e., PNG that gives less emission of Carbon Dioxide.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

We have started using natural gas i.e., PNG that gives less emission of Carbon Dioxide

The Company has also installed Solar Panels at the Factory of the Company.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**

Yes. The Company follows all GPCB norms diligently.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.**

No. There has not been any show cause/ legal notices received from CPCB/ SPCB.

PRINCIPLE 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

- (a) Saurashtra Chamber of Commerce & Industry - Bhavnagar

- (b) The Plastics Export Promotion Council - MUMBAI

- (c) CAPEXIL - MUMBAI

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No. The Company has not advocated/lobbied through above any trade and chamber associations.

PRINCIPLE 8

1. **Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has its Internal Code of Ethics, Initiatives taken under CSR Policy and Code of Ethics Policy.

2. **Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organisation?**

The programmes of the Company are undertaken both through Ashwanila Charitable Trust Bhavnagar, the primary implementation agency, and also directly by the Company.

3. **Have you done any impact assessment of your initiative?**

Yes. The Company has done impact assessment of its CSR activities during the FY 2021-22 for the CSR amount spent in the FY 2020-21.

4. **What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

The Company has spent ₹ 57.43 Lakhs on its various CSR activities including community development initiatives.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Company's initiatives are based on critical and felt needs of the community. In FY 2021-22, the community development initiatives were focused on COVID-19 pandemic relief and benefitted numerous beneficiaries.

BUSINESS RESPONSIBILITY REPORT (Contd.)

PRINCIPLE 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of the financial year?**

There are no Complaints pending as on the end of the financial year.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

Yes.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

No. The Company does not have any case filed by any stakeholder regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years. The Company works ethically and responsibly in its operations.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

Consumer Satisfaction activity is done by the Company on a random basis. The Company is in the process of implementing Consumer Survey.

INDEPENDENT AUDITOR'S REPORT

To the Members of

ACRYSIL LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Acrysil Limited** ("the Company") which comprise the balance sheet as at 31st March 2022, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and of the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter:

Revenue from the sale of goods ("Revenue") is recognized when the Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company.

Auditor's Response:

Our audit approach was a combination of test of internal controls and substantive procedures including assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof; evaluating the integrity of the general information and control environment and testing the operating effectiveness of key controls.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the standalone financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of

INDEPENDENT AUDITOR'S REPORT (Contd.)

our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosure, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT (Contd.)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, 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 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 including other comprehensive Income, statement of changes in equity 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, 2015;
- e) On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms section 164(2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in Annexure – B may be referred;
 - g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

INDEPENDENT AUDITOR'S REPORT (Contd.)

- whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

For **P A R K & COMPANY**

Chartered Accountants

FRN: 116825W

ASHISH DAVE

Partner

Membership No. 170275

UDIN: 22170275AJCTVT4831

Bhavnagar

May 17, 2022

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S 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 property, plant and equipment:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- b. The Company has maintained proper records showing full particulars of intangible assets.
- c. Property, plant and equipment were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
- d. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company.
- e. The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
- f. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and Rules made thereunder.

2. In respect of inventories:

- a. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- b. During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets of the Company. The quarterly returns or statements filed by the Company with such banks are generally in agreement with the books of account.

3. In respect of investments, guarantees or securities provided or loans or advances in the nature of loans granted by the Company:

- a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except:

Particulars	Loans (₹ in lacs)
Aggregate amount of loans granted during the year - others	22.62
Aggregate amount of guarantee provided during the year - subsidiaries	8,683.26
Balances outstanding of loans as on balance sheet date – subsidiary	253.95
Balances outstanding of loans as on balance sheet date – others	13.23
Balances outstanding of guarantee as on balance sheet date – subsidiaries	9,831.15

- b. The terms and conditions of the grant of these loans and investment made during the year are not prejudicial to the interest of the Company.
 - c. In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments are regular.
 - d. There is no overdue amount in respect of loans granted.
 - e. No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties except for renewal of a loan of ₹ 253.95 lacs to a wholly owned subsidiary, Acrysil GmbH.
 - f. The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment.
4. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
5. The Company has not accepted any deposits from public or any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder, to the extent applicable.

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

6. We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Act 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:
- The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees state insurance, income tax, cess, goods & service tax 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.
 - There are no statutory dues, which have not been deposited on account of dispute except for the followings:
- | Nature of Dues | ₹ in lacs | Financial Year | Forum where dispute is pending |
|---------------------|-----------|------------------|---|
| Goods & Service Tax | 30.02 | 2017-18, 2018-19 | The Assistant Commissioner of Central GST (Audit) |
8. The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9.
 - The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - The term loans have been applied for the purposes for which they were obtained.
 - On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture companies.
- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
10.
 - The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
 - The Company has not made any preferential allotment or private placement of shares or fully/partially convertible debentures during the year and hence, the requirement to report under clause 3(x)(b) of the Order is not applicable.
11.
 - No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - The Company has not received any whistle blower complaint during the year and up to the date of this report.
12. The Company is not a Nidhi Company as per the provisions of the Act. The requirement to report under clause 3 (xii) of the Order is, therefore, not applicable.
13. Transactions with the related parties are in compliance with Section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14.
 - The Company has an internal audit system commensurate with the size and nature of its business.
 - We have considered the internal audit reports of the Company issued till date for the period under audit.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

16. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The Company has not conducted any non-banking financial or housing finance activities without obtaining a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the requirement to report under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
18. There has been no resignation by the statutory auditors of the Company during the year.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There are no unspent Corporate Social Responsibility (CSR) amount required to be transferred under sub-section (5) or (6) of section 135 of the Act.

For **P A R K & COMPANY**

Chartered Accountants

FRN: 116825W

ASHISH DAVE

Partner

Membership No. 170275

UDIN: 22170275AJCTVT4831

Bhavnagar

May 17, 2022

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of Acrysil Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

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

depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **P A R K & COMPANY**

Chartered Accountants

FRN: 116825W

ASHISH DAVE

Partner

Membership No. 170275

UDIN: 22170275AJCTVT4831

Bhavnagar

May 17, 2022

BALANCE SHEET

as at March 31, 2022

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	14,701.21	10,485.88
Right of use assets	3	1,226.54	495.15
Capital work in progress	2	1,674.28	968.38
Intangible assets	4	177.48	182.99
Financial assets			
Investments	5	1,701.94	1,407.51
Loans	6	253.95	242.98
Other financial assets	7	153.35	115.96
Other non-current assets	8	597.46	663.10
		20,486.21	14,561.95
Current Assets			
Inventories	9	7,573.54	3,897.56
Financial assets			
Investments		-	-
Trade receivables	10	8,206.68	6,085.19
Cash and cash equivalents	11	90.69	230.33
Other bank balances	12	589.63	1,225.53
Loans	6	13.23	10.89
Other financial assets	7	1,261.70	1,730.66
Current tax assets (net)	13	4,477.89	2,853.28
Other current assets	8	2,762.42	1,593.32
		24,975.78	17,626.76
Total Assets		45,461.99	32,188.71
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	14	533.90	533.90
Other equity	15	19,498.39	14,610.12
		20,032.29	15,144.02
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	3,058.79	1,620.69
Lease liabilities		981.76	458.33
Other financial liabilities	17	-	-
Provisions	18	65.50	54.36
Deferred tax liabilities (net)	19	516.31	481.33
Other non-current liabilities	20	-	-
		4,622.36	2,614.71
Current liabilities			
Financial Liabilities			
Borrowings	16	9,217.12	7,488.80
Lease liabilities		295.71	97.93
Trade payables	21		
Total outstanding dues of Micro and Small Enterprises		1,145.02	741.06
Total outstanding dues of creditors other than Micro and Small Enterprises		4,932.09	2,377.43
Other financial liabilities	17	314.87	309.17
Other current liabilities	20	267.59	414.39
Provisions	18	102.48	97.37
Current tax liabilities (net)	13	4,532.46	2,903.83
		20,807.34	14,429.98
Total Liabilities		45,461.99	32,188.71

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

Particulars	Note No.	₹ in Lakhs	
		2021-2022	2020-2021
REVENUE:			
Revenue from operations (net)	22	38,802.57	24,834.13
Other income	23	1,427.83	728.98
Total income		40,230.40	25,563.11
EXPENSES:			
Cost of materials consumed	24	16,081.56	8,902.93
Purchases of stock-in-trade		2,853.98	1,649.04
Changes in inventories	25	(2,579.58)	469.75
Employee benefits expenses	26	2,515.54	1,601.46
Finance costs	27	870.80	639.83
Depreciation and amortisation expenses	28	1,675.88	1,157.57
Other expenses	29	12,051.52	7,266.07
Total expenses		33,469.70	21,686.65
Profit before exceptional items and tax		6,760.70	3,876.46
Exceptional Items		-	-
Profit before tax		6,760.70	3,876.46
Tax expenses			
Current tax	13	1,590.00	999.58
Earlier years' tax		(14.36)	5.95
Deferred tax		32.70	208.29
Profit for the year		5,152.36	2,662.64
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit liabilities/(asset)		9.06	(24.50)
b. Tax impacts on above		(2.28)	6.17
Items that may be reclassified to profit or loss			
Other comprehensive income for the year		6.78	(18.33)
Total comprehensive income for the year		5,159.14	2,644.31
Basic earning per share	30	19.30	9.97
Diluted earning per share	30	19.22	9.97
Face value per share		2.00	2.00

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	2021-2022		2020-2021	
A Cash flow from operating activities:				
Net profit for the year		5,152.36		2,662.64
Adjustments for -				
Depreciation	1,675.88		1,157.57	
Income tax expenses	1,608.34		1,213.82	
Impairment loss recognised on trade receivables	36.24		525.35	
Employee stock options	369.82		-	
Gain on disposal of property, plant & equipment	(54.44)		(1.46)	
Interest income	(77.40)		(134.04)	
Finance cost	870.80	4,429.24	639.83	3,401.07
Operating Profit Before Working Capital Changes		9,581.60		6,063.71
Movements in working capital:				
Trade and other receivables	(1,103.57)		(2,087.32)	
Other current and non-current assets	(1,103.46)		(710.27)	
Inventories	(3,675.98)		309.49	
Provisions	25.31		11.14	
Other current and non-current liabilities	(146.80)		112.18	
Trade and other payables	2,960.91	(3,043.59)	1,151.91	(1,212.87)
Cash generated from operations		6,538.01		4,850.84
Income tax paid	(1,571.62)	(1,571.62)	(1,069.24)	(1,069.24)
Net cash generated by operating activities		4,966.39		3,781.60
B Cash flow from investing activities:				
Payments for property, plant and equipment		(6,757.96)		(3,541.57)
Purchase of investments		(294.43)		-
Sale of property, plant and equipment		408.56		63.10
Interest received		77.40		134.04
Net cash (used in)/generated from investing activities		(6,566.43)		(3,344.43)
C Cash flow from financing activities:				
Net proceeds from borrowings		3,166.41		950.10
Interest and borrowing costs paid		(866.43)		(639.83)
Repayment of lease liabilities		(197.95)		(121.35)
Dividend paid		(641.63)		(528.99)
Net cash used in financing activities		1,460.40		(340.07)
Net increase in cash and cash equivalents		(139.64)		97.10
Cash and cash equivalents as at beginning of the year		230.33		133.23
Cash and cash equivalents as at end of the year		90.69		230.33

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

A. SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
At the beginning of the year	533.90	533.90
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current year	-	-
At the end of the year	533.90	533.90

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and surplus					Other Comprehensive Income Net gain/(loss) on fair value of defined benefit plan	Total
	General reserve	Retained earnings	Capital reserve	Share based payment reserve	Securities Premium		
As at April 01, 2020	4,200.00	4,314.68	25.20	-	3,974.09	(14.26)	12,499.71
Profit for the year	-	2,662.64	-	-	-	-	2,662.64
Additions during the year	-	-	-	-	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(18.33)	(18.33)
Transfer from retained earnings to general reserve	500.00	(500.00)	-	-	-	-	-
Dividend paid on equity shares	-	(533.90)	-	-	-	-	(533.90)
As at March 31, 2021	4,700.00	5,943.42	25.20	-	3,974.09	(32.59)	14,610.12
Profit for the year	-	5,152.35	-	-	-	-	5,152.35
Additions during the year	-	-	-	-	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-	-	-	6.78	6.78
Share based payment expenses	-	-	-	369.82	-	-	369.82
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-
Dividend paid on equity shares	-	(640.68)	-	-	-	-	(640.68)
As at March 31, 2022	5,700.00	9,455.09	25.20	369.82	3,974.09	(25.81)	19,498.39

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

COMPANY INFORMATION

Acrysil Limited ("the Company") is a public limited company domiciled in India and incorporated on January 19, 1987 under the provisions of the Companies Act applicable in India. The Company is engaged in manufacturing and trading of Quartz Kitchen Sinks, Stainless Steel Kitchen Sinks, Bath Products, Tiles, Kitchen Appliances and Accessories. The registered office of the Company is located at A 702, Kanakia Wall Street, Andheri-Kurla Road, Andheri (East), Mumbai – 400 093. The equity shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

These standalone financial statements ('the financial statements') were authorised for issue in accordance with the resolution of the Board of Directors on May 17, 2022.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Company considers 12 months as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Lakhs except otherwise indicated.

A. SIGNIFICANT ACCOUNTING POLICIES:

a. System of accounting

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

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realised within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date;
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

b. Key accounting estimates

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

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

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

c. Property, plant and equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e April 01, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured

reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.

- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Company depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/ developed for in-house use and design and property rights of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. Investments and financial assets

(i) Investments in subsidiary companies

Investments in subsidiary companies are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

(ii) **Other investments and financial assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

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

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

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

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows simplified approach for recognition of impairment loss allowance on trade receivables. Simplified

approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

e. **Inventories**

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and work-in-progress are valued at the cost plus direct expenses and appropriate value of overheads or net realisable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

f. **Cash and cash equivalents**

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

g. **Trade receivables**

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

h. **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

i. **Financial liabilities**

- (i) Financial liabilities are recognised when the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

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

- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j. Trade payables

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

k. Revenue recognition

- (i) Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements.

Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

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

in the contract, net of the estimated sales incentives/ discounts.

- (iii) Accumulated experience is used to estimate and provide for the discounts/ rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

l. Custom duty and GST:

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt within respective material accounts.

m. Foreign currency transactions

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/ increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

n. **Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Remeasurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.
- (iv) Employee Share based Payments: The Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognised as expense on a straight-line basis over the vesting period, based on the Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest.

Fair value of the ESOP granted to the employees

of subsidiary companies are considered as capital contribution by the parent company on a straight-line basis over the vesting period which, will be adjusted by any recharge in the subsequent years by the subsidiary companies.

o. **Leases**

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

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

p. **Provisions and contingent liabilities**

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

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

q. **Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. **Impairment of non-financial assets**

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

s. **Taxation**

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

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax

assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

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

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

t. **Earnings per share**

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

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

u. Segment reporting

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

v. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability

simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

w. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at April 01, 2020	2,671.45	1,841.20	2,454.35	5,918.12	382.59	803.74	478.64	14,550.09
Additions	127.39	601.25	1,376.44	789.66	72.11	217.87	-	3,184.72
Disposals	-	(73.18)	-	-	-	(3.28)	-	(76.46)
As at March 31, 2021	2,798.84	2,369.27	3,830.79	6,707.78	454.70	1,018.33	478.64	17,658.35
Additions	87.75	1,708.24	2,791.23	1,174.17	116.38	37.54	124.84	6,040.15
Disposals	(345.63)	-	-	-	-	-	(18.90)	(364.53)
As at March 31, 2022	2,540.96	4,077.51	6,622.02	7,881.95	571.08	1,055.87	584.58	23,333.97
Depreciation								
As on April 01, 2020	-	378.41	1,236.36	3,337.47	365.31	505.50	345.25	6,168.30
Depreciation charged	-	78.88	257.27	516.89	39.28	84.98	41.69	1,018.99
Disposals	-	(14.65)	-	-	-	(0.17)	-	(14.82)
As at March 31, 2021	-	442.64	1,493.63	3,854.36	404.59	590.31	386.94	7,172.47
Depreciation charged	-	104.14	529.83	594.53	73.16	116.68	52.35	1,470.69
Disposals	-	-	-	-	-	-	(10.41)	(10.41)
As at March 31, 2022	-	546.78	2,023.47	4,448.89	477.75	706.99	428.88	8,632.76
Net carrying value								
As at March 31, 2021	2,798.84	1,926.63	2,337.16	2,853.42	50.11	428.02	91.70	10,485.88
As at March 31, 2022	2,540.96	3,530.73	4,598.55	3,433.06	93.33	348.88	155.70	14,701.21

CAPITAL WORK IN PROGRESS AGEING SCHEDULE:

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022					
Projects in progress	1,674.28	-	-	-	1,674.28
	1,674.28	-	-	-	1,674.28
March 31, 2021					
Projects in progress	968.38	-	-	-	968.38
	968.38	-	-	-	968.38

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 3: RIGHT OF USE ASSETS

Particulars	(₹ in Lakhs)	
	Building	Total
Gross carrying value		
As at March 31, 2020	294.57	294.57
Additions	544.67	544.67
Disposals	(146.66)	(146.66)
As at March 31, 2021	692.58	692.58
Additions	1,164.52	1,164.52
Disposals	(440.33)	(440.33)
As at March 31, 2022	1,416.77	1,416.77
Accumulated depreciation		
As at March 31, 2020	152.45	152.45
Depreciation charged	118.31	118.31
Disposals	(73.33)	(73.33)
As at March 31, 2021	197.43	197.43
Depreciation charged	187.78	187.78
Disposals	(194.98)	(194.98)
As at March 31, 2022	190.23	190.23
Net carrying value		
As at March 31, 2021	495.15	495.15
As at March 31, 2022	1,226.54	1,226.54

Leases - Company as a lessee

(a) Set out below, are the amounts recognised in profit and loss:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Amortisation expense of right-of-use assets	187.78	118.31
Interest expense on lease liabilities	62.38	16.88
Lease expense- Short term and lease of low value assets	65.62	158.73
	315.78	293.92

(b) Lease liabilities included in the financial statements:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Current	295.71	97.93
Non-current	981.76	458.33
Total lease liabilities	1,277.47	556.26

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 4: INTANGIBLE ASSETS

Particulars	(₹ in Lakhs)		
	Design & Property Rights	Computer Software	Total
Gross carrying value			
As at April 01, 2020	165.09	91.42	256.51
Additions	-	34.23	34.23
As at March 31, 2021	165.09	125.65	290.74
Additions	-	11.91	11.91
As at March 31, 2022	165.09	137.55	302.65
Accumulated depreciation			
As on April 01, 2020	37.88	49.60	87.48
Depreciation charged	16.51	3.76	20.27
As at March 31, 2021	54.39	53.36	107.75
Depreciation charged	16.51	0.90	17.41
As at March 31, 2022	70.90	54.26	125.16
Net carrying value			
As at March 31, 2021	110.70	72.29	182.99
As at March 31, 2022	94.19	83.29	177.49

NOTE 5: NON-CURRENT INVESTMENTS

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
a. Investments valued at cost, fully paid up		
Investments in subsidiaries in India		
Acrysil Steel Limited	703.80	459.80
56,60,384 (45,98,000) equity shares of ₹ 10 each fully paid-up (extent of holding: 84.99%) (includes capital contribution towards ESOPs granted to the employees of the subsidiary during the year ₹ 31.52 Lakhs)		
Carysil Online Limited (formerly knowns as Acrysil Appliances Limited)	100.00	100.00
10,00,000 equity shares of ₹ 10 each fully paid-up (extent of holding: 100.00%)		
Sternhagen Bath Private Limited	8.49	8.49
84,900 equity shares of ₹ 10 each fully paid-up (extent of holding: 84.90%)		
	812.29	568.29

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Particulars	MARCH 31, 2022		MARCH 31, 2021	
Investments in subsidiaries outside India				
Acrysil GmbH		171.48		171.48
9 equity shares of Euro 25,000 each (extent of holding: 100.00%)				
Acrysil UK Limited		667.74		667.74
6,90,001 equity shares of GBP 1 each (extent of holding: 100.00%) (shares are pledged with a financial institution against finance availed by the subsidiary)				
Acrysil Products Limited (capital contribution towards ESOPs granted to the employees of the step-down subsidiary during the year)		50.43		-
		889.65		839.22
Total non-current investments		1,701.94		1,407.51
Aggregate amount of quoted investments		-		-
Market value of quoted investments		-		-
Aggregate amount of unquoted investments		1,701.94		1,407.51

NOTE 6: LOANS (UNSECURED)

(₹ in Lakhs)

Particulars	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured, considered good				
to subsidiaries	253.95	242.98	-	-
to employees	-	-	13.23	10.89
Total loans	253.95	242.98	13.23	10.89

(₹ in Lakhs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Subsidiaries:				
Acrysil GmbH	253.95	242.98	253.95	242.98
	253.95	242.98	253.95	242.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 7: OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Security deposits	153.35	115.96	-	-
Claims receivables	-	-	1,042.91	1,525.15
Forward contract premium receivables	-	-	175.83	143.48
Interest receivables	-	-	42.96	62.03
Total other financial assets	153.35	115.96	1,261.70	1,730.66

NOTE 8: OTHER ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Trade advances to suppliers	-	-	232.13	534.95
Less: Loss allowance for doubtful advances	-	-	(21.58)	(21.58)
	-	-	210.55	513.37
Capital advances	597.46	663.10	-	-
Advances to staff	-	-	12.13	18.02
Prepaid expenses	-	-	51.51	15.88
Input credit receivables	-	-	2,399.92	936.17
Gratuity surplus fund (net)	-	-	7.27	-
Other advances	-	-	81.04	109.88
Total other assets	597.46	663.10	2,762.42	1,593.32
Trade advances:				
- To companies or firms in which some of the directors are interested	-	-	5.47	262.22

NOTE 9: INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Stores & spares	77.69	32.97
Stock-in-trade	1,560.64	941.75
Raw materials	971.02	387.02
Finished goods	2,528.37	1,249.81
Semi finished goods	1,005.16	323.03
Bought out items	1,156.03	739.76
Packing materials	274.63	223.22
Total inventories	7,573.54	3,897.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 10: TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Unsecured, considered good	8,161.38	6,040.92
Unsecured, significant increase in credit risk	90.61	88.41
Unsecured, considered doubtful	82.80	61.22
Less: Loss allowance for doubtful debts	(128.11)	(105.36)
Total trade receivables	8,206.68	6,085.19
Above includes due from related parties		
- Subsidiaries	1,290.48	1,032.03

10.1 TRADE RECEIVABLES AGEING SCHEDULE:

(₹ in Lakhs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months-1 year	1 - 2 years	2 - 3 years	> 3 years	
March 31, 2022							
Undisputed, considered good	7,168.41	932.92	21.93	30.32	-	-	8,153.58
Undisputed having significant increase in credit risk	-	-	-	-	31.34	-	31.34
Undisputed trade receivables-credit impaired	-	-	-	-	-	46.87	46.87
Disputed, considered good	-	2.95	0.08	4.77	-	-	7.80
Disputed having significant increase in credit risk	-	-	-	-	59.27	-	59.27
Disputed trade receivables-credit impaired	-	-	-	-	-	35.93	35.93
	7,168.41	935.87	22.01	35.09	90.61	82.80	8,334.79
Less: Allowance for credit losses							(128.11)
Total trade receivables							8,206.68
March 31, 2021							
Undisputed, considered good	5,289.33	528.57	79.72	143.30	-	-	6,040.92
Undisputed having significant increase in credit risk	-	-	-	-	88.41	-	88.41
Undisputed trade receivables-credit impaired	-	-	-	-	-	61.22	61.22
	5,289.33	528.57	79.72	143.30	88.41	61.22	6,190.55
Less: Allowance for credit losses							(105.36)
Total trade receivables							6,085.19

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 11: CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
Balances with banks	86.44	43.39
Short term deposits	-	150.00
Cash on hand	4.25	36.94
Total cash and cash equivalents	90.69	230.33

NOTE 12: OTHER BANK BALANCES

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
Dividend accounts	53.26	54.21
Other term deposits *	536.37	1,171.32
Total other bank balances	589.63	1,225.53

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March.

* includes ₹ 26.25 Lakhs (₹ 96.74 Lakhs) under lien with banks against various credit facilities

NOTE 13: INCOME TAX ASSETS

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
Current income tax liabilities	4,532.46	2,903.83
Income tax assets	4,477.89	2,853.28
Net balance	54.57	50.55
The gross movement in the current tax (asset) / Liabilities		
Net current income tax asset at the beginning	50.55	114.26
Income tax paid (net of refunds)	(1,571.62)	(1,069.24)
Current income tax expense	1,575.64	1,005.53
Net current income tax asset at the end	54.57	50.55

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income tax is as below:

Profit before tax	6,760.70	3,876.46
Applicable income tax rate	25.17%	25.17%
	1,701.53	975.63
Effect of expenses/depreciation for tax purpose (net)	13.71	23.95
Effect of income not considered for tax purpose	(125.24)	-
	(111.53)	23.95
Income tax expense charged to the Statement of Profit and Loss	1,590.00	999.58

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 14: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subscribed and Paid up		
2,66,94,880 equity shares of ₹ 2 each	533.90	533.90
Total equity share capital	533.90	533.90

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

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :

(₹ in Lakhs)

Particulars	As at MARCH 31, 2022		As at MARCH 31, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	26,694,880	533.90	26,694,880	533.90
Issue of equity shares during the year	-	-	-	-
Balance at end of the year	26,694,880	533.90	26,694,880	533.90

c. Shares held by promoters and promoter group :

(₹ in Lakhs)

Name of Shareholder	As at MARCH 31, 2022		As at MARCH 31, 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Chirag Parekh	8,633,480	32.34	8,633,480	32.34	-
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18	-
Pushpa R Parekh	734,760	2.75	734,760	2.75	-
Shetal C Parekh	550,000	2.06	550,000	2.06	-
Jatin R Parekh	419,250	1.57	419,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

Name of Shareholder	As at MARCH 31, 2021		As at MARCH 31, 2020		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Chirag Parekh	8,633,480	32.34	8,629,730	32.33	0.01
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18	-
Pushpa R Parekh	734,760	2.75	734,760	2.75	-
Shetal C Parekh	550,000	2.06	550,000	2.06	-
Jatin R Parekh	419,250	1.57	419,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-
Ashwin M Parekh	-	-	3,750	0.01	0.01

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

d. Shares held by each shareholder holding more than five percent shares :

(₹ in Lakhs)

Name of Shareholder	As at MARCH 31, 2022		As at MARCH 31, 2021	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	8,633,480	32.34	8,633,480	32.34
Abakkus Emerging Opportunities Fund - 1	1,643,050	6.15	1,722,338	6.45
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18

e. Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

NOTE 15: OTHER EQUITY

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Capital reserve	25.20	25.20
General reserve		
Balance at the beginning of the year	4,700.00	4,200.00
Transferred from retained earnings	1,000.00	500.00
Balance at the end of the year	5,700.00	4,700.00
Securities premium account	3,974.09	3,974.09
Addition during the year	-	-
	3,974.09	3,974.09
Retained earnings		
Balance at the beginning of the year	5,943.42	4,314.68
Profit for the year	5,152.35	2,662.64
Appropriations		
Transfer to general reserve	(1,000.00)	(500.00)
Dividend	(640.68)	(533.90)
Balance at the end of the year	9,455.09	5,943.42
Share based payment reserve		
Addition during the year	369.82	-
	369.82	-
Other components of equity		
Remeasurement of defined benefit plans (net of tax)	(25.81)	(32.59)
Total other equity	19,498.39	14,610.12

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013 and the Company can optionally transfer any amount from the surplus of profit or loss to the General Reserve.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Share based payment reserve: This represents the fair value of the stock options granted by the Company under the Employees Stock Option Plan 2021 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognised.

NOTE 16: BORROWINGS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Secured				
Term loans from banks	3,058.79	1,620.69	-	-
Working capital finance from banks	-	-	8,093.22	6,895.88
Current maturities of long-term debt	-	-	1,015.59	481.74
	3,058.79	1,620.69	9,108.81	7,377.62
Unsecured				
Term loans from related parties	-	-	108.31	111.18
	-	-	108.31	111.18
Total borrowings	3,058.79	1,620.69	9,217.12	7,488.80

Note: Term loans from banks are secured by first hypothecation charge on entire movable fixed assets of the Company, both present & future, on pari-passu basis, further secured by the first pari-passu charge on immovable properties of the Company and personal guarantee of one of the directors of the Company. Term loans for vehicles are against hypothecation of vehicles.

Working capital finance from banks are secured by first hypothecation charge on entire current assets of the Company, both present and future, ranking pari-passu, second charge on entire movable fixed assets of the Company (excluding vehicles) both present and future and personal guarantee of one of the directors of the Company.

NOTE 17: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Interest accrued and due	-	-	13.81	9.44
Payable towards services received	-	-	225.39	222.30
Unclaimed dividend	-	-	53.96	54.91
Deposits from distributors and others	-	-	21.71	22.52
Total other financial liabilities	-	-	314.87	309.17

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 18: PROVISIONS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Provision for leave encashment	65.50	54.36	13.71	11.41
Provision for bonus	-	-	88.77	46.27
Provision for gratuity	-	-	-	39.69
Total provisions	65.50	54.36	102.48	97.37

NOTE 19: DEFERRED TAX LIABILITIES

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
On account of timing differences in		
Depreciation on property, plant & equipment	542.61	463.48
Provision for doubtful debts	(37.67)	(31.95)
Disallowances u/s 40(a) and 43B of the Income Tax Act	11.37	49.80
	516.31	481.33

NOTE 20: OTHER LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Advances from customers	-	-	173.99	299.88
Payable for capital assets	-	-	-	40.00
Statutory due payable	-	-	93.60	74.51
Total other liabilities	-	-	267.59	414.39

NOTE 21: TRADE PAYABLES

(₹ in Lakhs)

Particulars	Current	
	MARCH 31, 2022	MARCH 31, 2021
Trade payables, considered good		
Total outstanding dues of Micro and Small Enterprises (refer note no. 36)	1,145.02	741.06
Total outstanding dues of creditors other than Micro and Small Enterprises	4,932.09	2,377.43
Total trade payables	6,077.11	3,118.49

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

21.1 TRADE PAYABLES AGEING SCHEDULE:

(₹ in Lakhs)

Particular	Not due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
March 31, 2022						
Outstanding dues to MSME	868.04	276.91	0.07	-	-	1,145.02
Others	3,921.33	919.07	13.04	8.39	70.26	4,932.09
Total	4,789.37	1,195.98	13.11	8.39	70.26	6,077.11
March 31, 2021						
Outstanding dues to MSME	739.98	1.08	-	-	-	741.06
Others	1,985.54	280.74	9.19	24.11	77.85	2,377.43
Total	2,725.52	281.82	9.19	24.11	77.85	3,118.49

NOTE 22: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Sale of products		
Export sales	31,433.43	19,241.41
Domestic sales	7,267.18	4,770.29
	38,700.61	24,011.70
Other operating revenue		
Export incentives & credits	54.19	816.66
Other operating income	47.77	5.77
Total revenue from operations	38,802.57	24,834.13

NOTE 23: OTHER INCOME

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Interest income		
Banks	51.10	85.56
Others	26.30	48.48
Gain on foreign currency fluctuation	829.50	581.99
Gain on disposal of property, plant & equipment	54.44	1.46
Dividend income	443.70	-
Miscellaneous income	22.79	11.49
Total other income	1,427.83	728.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 24: COST OF MATERIALS CONSUMED

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Raw material consumed		
Opening stock	387.02	500.84
Add: Purchases	10,410.67	4,905.66
	10,797.69	5,406.50
Less: Closing stock	971.02	387.02
Total raw material consumed	9,826.67	5,019.48
Packing material consumed		
Opening stock	223.22	119.08
Add: Purchases	3,863.81	2,464.39
	4,087.03	2,583.47
Less: Closing stock	274.63	223.22
Total packing material consumed	3,812.40	2,360.25
Bought out items	2,442.49	1,523.20
Total cost of materials consumed	16,081.56	8,902.93

NOTE 25: CHANGES IN INVENTORIES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Closing Stock		
Finished goods	2,528.37	1,249.81
Stock-in-trade	1,560.64	941.75
Semi finished goods	1,005.16	323.03
	5,094.17	2,514.59
Opening Stock		
Finished goods	1,249.81	1,037.79
Stock-in-trade	941.75	1,064.24
Semi finished goods	323.03	882.31
	2,514.59	2,984.34
Changes in inventories	(2,579.58)	469.75

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 26: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Salaries, wages and bonus	1,620.58	1,198.54
Directors' remuneration	318.93	184.16
Employee stock option expenses	287.87	-
Leave compensation	23.70	65.66
Contribution to provident fund and other funds	129.70	70.04
Staff welfare expenses	134.76	83.06
Total employee benefit expenses	2,515.54	1,601.46

NOTE 27: FINANCE COSTS

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Interest		
Banks	677.56	528.72
Income tax	53.00	11.32
Others	80.98	46.01
	811.54	586.05
Exchange difference on foreign currency borrowings	-	1.13
Other borrowing cost	59.26	52.65
Total finance costs	870.80	639.83

NOTE 28: DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Depreciation on tangible assets	1,658.47	1,137.30
Depreciation on intangible assets	17.41	20.27
Total depreciation and amortisation	1,675.88	1,157.57

NOTE 29: OTHER EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Manufacturing expenses		
Power & fuel	1,375.28	657.49
Machinery repairs and maintenance	121.16	239.70
Stores and spares	948.89	477.17
Other expenses	1,722.04	961.42
	4,167.37	2,335.78
Selling and distribution expenses		
Sales commission	139.26	424.69
Advertisement and business promotion	758.11	447.72

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 29: OTHER EXPENSES (CONTD.)

Particulars	(₹ in Lakhs)	
	2021-2022	2020-2021
Export freight and insurance	4,880.15	1,907.74
Other selling expenses	630.03	408.58
	6,407.55	3,188.73
Administrative and other expenses		
Rent	65.62	158.73
Rates & taxes	9.04	3.49
Travelling expenses	376.17	214.72
Postage and telephone expenses	24.83	43.71
Printing and stationery expenses	37.75	30.74
Insurance premiums	55.79	37.80
Building and other repairs	188.98	192.56
Bank discount, commission and other charges	84.44	61.18
Legal and professional fees	222.19	208.39
Payment to auditors	19.92	19.70
Directors sitting fees	15.85	11.00
Corporate social responsibility expenses	57.43	32.81
Donations	2.24	1.94
Bad debts, provision for doubtful advances and other write-off	36.24	525.35
General expenses	280.11	199.44
	1,476.60	1,741.56
Total other expenses	12,051.52	7,266.07
Expenditure towards Corporate Social Responsibility (CSR) activities		
1. Amount required to be spent u/s 135(5) of the Companies Act 2013	49.10	29.77
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	57.43	32.81
3. (Excess)/Shortfall at the end of the year	(8.33)	(3.04)
4. Nature of CSR activities	Education, health, wellness, animal welfare.	
5. Details of related party transactions in relation to CSR expenditure to Ashwanilla Charitable Trust	15.73	29.62
Payments to auditors		
Audit fees (including quarterly review)	16.30	14.30
Tax audit fees	2.00	2.00
Other services	1.62	3.40
	19.92	19.70

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 30: EARNING PER SHARE

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Profit for the year (₹ in Lakhs)	5,152.36	2,662.64
Weighted average number of shares for basic earning per share (Nos)	26,694,880	26,694,880
Weighted average number of shares for diluted earning per share (Nos)	26,810,860	26,694,880
Earnings per share (Basic) ₹	19.30	9.97
Earnings per share (Diluted) ₹	19.22	9.97
Face value per share ₹	2.00	2.00

NOTE 31: FAIR VALUE MEASUREMENT

FINANCIAL INSTRUMENTS BY CATEGORY :

(₹ in Lakhs)

Particulars	March 31, 2022				March 31, 2021			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	1,701.94	1,701.94	-	-	1,407.51	1,407.51
Trade receivables	-	-	8,206.68	8,206.68	-	-	6,085.19	6,085.19
Loans - non-current	-	-	253.95	253.95	-	-	242.98	242.98
Loans - current	-	-	13.23	13.23	-	-	10.89	10.89
Other financial assets - non-current	-	-	153.35	153.35	-	-	115.96	115.96
Other financial assets - current	-	-	1,261.70	1,261.70	-	-	1,730.66	1,730.66
Cash and cash equivalents	-	-	90.69	90.69	-	-	230.33	230.33
Other bank balances	-	-	589.63	589.63	-	-	1,225.53	1,225.53
Total financial assets	-	-	12,271.17	12,271.17	-	-	11,049.05	11,049.05
Financial liabilities								
Borrowings								
Long term borrowings	-	-	3,058.79	3,058.79	-	-	1,620.69	1,620.69
Short term borrowings	-	-	9,217.12	9,217.12	-	-	7,488.80	7,488.80
Lease liabilities - non-current	-	-	981.76	981.76	-	-	458.33	458.33
Lease liabilities - current	-	-	295.71	295.71	-	-	97.93	97.93
Trade payables	-	-	6,077.11	6,077.11	-	-	3,118.49	3,118.49
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	314.87	314.87	-	-	309.17	309.17
Total financial liabilities	-	-	19,945.36	19,945.36	-	-	13,093.41	13,093.41

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 32: FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. CREDIT RISK

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables and receivables from group companies and others.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

B. LIQUIDITY RISK

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

Particulars	(₹ in Lakhs)		
	Less than or equal to one year	more than one year	Total
As on March 31, 2022			
Financial Assets			
Non-current investments	-	1,701.94	1,701.94
Loans	13.23	253.95	267.18
Trade receivables	8,206.68	-	8,206.68
Cash and cash equivalents	90.69	-	90.69
Other bank balances	589.63	-	589.63
Other financial assets	1,261.70	153.35	1,415.05
Total financial assets	10,161.93	2,109.24	12,271.17

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 32: FINANCIAL RISK MANAGEMENT (CONTD.)

(₹ in Lakhs)

Particulars	Less than or equal to one year	more than one year	Total
Financial Liabilities			
Long term borrowings	-	3,058.79	3,058.79
Short term borrowings	9,217.12	-	9,217.12
Lease liabilities	295.71	981.76	1,277.47
Trade payables	6,077.11	-	6,077.11
Other financial liabilities	314.87	-	314.87
Total financial liabilities	15,904.81	4,040.55	19,945.36
As on March 31, 2021			
Financial Assets			
Non-current investments	-	1,407.51	1,407.51
Loans	10.89	242.98	253.87
Trade receivables	6,085.19	-	6,085.19
Cash and cash equivalents	230.33	-	230.33
Other bank balances	1,225.53	-	1,225.53
Other financial assets	1,730.66	115.96	1,846.62
Total financial assets	9,282.60	1,766.45	11,049.05
Financial Liabilities			
Long term borrowings	-	1,620.69	1,620.69
Short term borrowings	7,488.80	-	7,488.80
Lease liabilities	97.93	458.33	556.26
Trade payables	3,118.49	-	3,118.49
Other financial liabilities	309.17	-	309.17
Total financial liabilities	11,014.39	2,079.02	13,093.41

C. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 32: FINANCIAL RISK MANAGEMENT (CONTD.)

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)		
Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2022	+100	122.76
	-100	(122.76)
March 31, 2021	+100	91.09
	-100	(91.09)

Company's exposure to foreign currency risk at the end of each reporting period is as under:

c) Exposure in foreign currency - Hedged

Category	MARCH 31, 2022	MARCH 31, 2021
Option Contract - Buy		
USD/EURO/GBP	214.04	144.81
Option Contract - Sell		
USD/EURO	0.75	4.50

d) Exposure in foreign currency - Unhedged

Category	MARCH 31, 2022	MARCH 31, 2021
Receivables		
USD	49.08	41.81
EURO	25.43	12.78
GBP	11.60	13.02
Payables		
USD	2.30	2.88
EURO	5.02	4.51

e) Foreign currency sensitivity

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2022	USD	+5%	177.30
	USD	-5%	(177.30)
March 31, 2021	USD	+5%	142.31
	USD	-5%	(142.31)
March 31, 2022	GBP	+5%	57.90
	GBP	-5%	(57.90)
March 31, 2021	GBP	+5%	65.75
	GBP	-5%	(65.75)
March 31, 2022	EURO	+5%	85.93
	EURO	-5%	(85.93)
March 31, 2021	EURO	+5%	35.47
	EURO	-5%	(35.47)

NOTE 33: CAPITAL MANAGEMENT

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summarises the capital of the Company:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Total debt	12,275.91	9,109.49
Total equity	20,032.29	15,144.02
Total debt to equity ratio	0.61	0.60

DIVIDENDS

(₹ in Lakhs)

Dividends recognised in the financial statements	March 31, 2022	March 31, 2021
Interim Dividend of ₹ 1.20 (0.80) per equity share	320.34	213.56
Final dividend ₹ 1.20 (1.20) per equity share	320.34	320.34
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 1.20 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	320.34	320.34

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 34: CONTINGENT LIABILITIES

(₹ in Lakhs)

No. Particulars	MARCH 31, 2022	MARCH 31, 2021
1. Guarantees to banks against credit facilities extended to subsidiary companies	2,332.89	1,147.89
2. Guarantees to a financial institution against credit facilities extended to subsidiary companies	7,498.26	-
3. In respect of goods and service tax	30.02	-

NOTE 35: EMPLOYEE BENEFITS

EMPLOYEE BENEFITS

FUNDED SCHEME - GRATUITY

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	228.84	206.42
Fair value of plan assets	236.11	166.73
Net unfunded obligation/assets	(7.27)	39.69
Expense recognised in the statement of profit and loss		
Current service cost	25.40	21.48
Interest on net defined benefit asset	2.75	1.85
Total expense charged to profit and loss Account	28.15	23.33
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	42.42	17.92
Remeasurements during the period due to:	-	-
Return on plan assets	(8.74)	22.94
Actual (gain)/loss on obligation for the period	(0.32)	1.56
Closing amount recognised in OCI outside profit & loss account	33.36	42.42
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	39.69	26.87
Expense charged to profit and loss account	28.15	23.33
Amount recognised outside profit and loss account	(9.06)	24.50
Benefits paid	-	-
Employer contributions	(66.05)	(35.01)
Closing net defined benefit liability/(asset)	(7.27)	39.69

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Movement in benefit obligation		
Opening of defined benefit obligation	206.42	160.54
Current service cost	25.40	21.48
Interest on defined benefit obligation	14.30	10.98
Actuarial loss/(gain) arising from change in financial assumptions	(8.95)	(1.65)
Benefits directly paid by the employer	-	-
Benefits paid	(8.54)	(9.53)
Actuarial loss/(gain) on obligation	0.21	24.60
Closing of defined benefit obligation	228.84	206.42
Movement in plan assets		
Opening fair value of plan assets	166.73	133.67
Actual return on plan assets excluding interest on plan assets	0.32	(1.56)
Interest income	11.55	9.14
Contributions by employer	66.05	35.01
Benefits paid	(8.54)	(9.53)
Closing of defined benefit obligation	236.11	166.73
Principal actuarial assumptions		
Discount Rate	7.35	6.93
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

SENSITIVITY ANALYSIS FOR SIGNIFICANT ASSUMPTION IS AS SHOWN BELOW:

(₹ in Lakhs)				
No.	Particulars	Sensitivity level	March 31, 2022	March 31, 2021
1	Discount Rate	1% Increase	(19.06)	(17.03)
		1% Decrease	22.37	19.83
2	Salary	1% Increase	21.14	18.67
		1% Decrease	(18.69)	(16.49)
3	Employee Turnover	1% Increase	(0.15)	(0.43)
		1% Decrease	0.08	0.45

THE FOLLOWING ARE THE EXPECTED FUTURE BENEFIT PAYMENTS FOR THE DEFINED BENEFIT PLAN:

(₹ in Lakhs)			
No.	Particulars	March 31, 2022	March 31, 2021
1	Within the next 12 months (next annual reporting period)	17.51	13.42
2	Between 2 and 5 years	51.97	50.82
3	Beyond 5 years	481.43	387.11

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 36: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2021-2022, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE SUPPLIERS REGARDING THEIR STATUS UNDER THE ACT.

(₹ in Lakhs)

No.	Particulars	March 31, 2022	March 31, 2021
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	1,145.02	741.06
2	Interest due on above	-	-

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW:

Sr No.	Particulars	Country of Incorporation
(i)	Subsidiaries Companies	
1	Acrysil Gmbh	Germany
2	Acrysil Products Limited	UK
3	Acrysil Steel Limited	India
4	Acrysil UK Limited	UK
5	Carysil Online Limited (formerly known as "Acrysil Appliances Limited")	India
6	Sternhagen Bath Private Limited	India
(ii)	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
7	Acrycol Minerals Limited	India
8	Ashwanila Charitable Trust Bhavnagar	India
(iii)	Key Managerial Personnel	
9	Mr. Chirag A Parekh	
10	Dr. Sonal V Ambani	
11	Mr. Jagdish R Naik	
12	Mr. Ajit R Sanghavi	
13	Mr. Pradeep H Gohil	
14	Mr. Rustam Mulla	
15	Mr. Anand H Sharma	
16	Ms. Neha Poddar	
(iv)	Relatives of Key Managerial Personnel	
17	Ms. Rhea Chirag Parekh (w.e.f. 05th August, 2021)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW (CONTD.)

(₹ in Lakhs)			
Nature of transaction	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
Subsidiary Companies			
1. <u>Sales of materials</u>			
Acrysil Products Limited	Subsidiary	4,330.91	2,227.25
Acrysil Steel Limited	Subsidiary	-	2.95
Acrysil Gmbh	Subsidiary	900.37	426.10
Total...		5,231.28	2,656.30
2. <u>Commission paid</u>			
Acrysil Gmbh	Subsidiary	66.41	345.67
3. <u>Purchase of materials</u>			
Acrysil Steel Limited	Subsidiary	385.41	520.71
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	2,461.17	1,520.47
Total...		2,846.58	2,041.18
4. <u>Interest received</u>			
Acrysil Gmbh	Subsidiary	15.50	18.52
5. <u>Rent received</u>			
Acrysil Steel Limited	Subsidiary	0.60	0.60
6. <u>Corporate Social Responsibility</u>			
Ashwanila Charitable Trust Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	15.73	29.62
7. <u>Royalty income</u>			
Acrysil Steel Limited	Subsidiary	9.92	5.77
8. <u>Interest paid</u>			
Carysil Online Limited	Subsidiary	8.08	8.32
9. <u>Donations</u>			
Ashwanila Charitable Trust	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	3.00	1.68
10. <u>Repayment of loan taken</u>			
Carysil Online Limited	Subsidiary	10.15	0.58
Outstanding balances:			
1. <u>Non current loans</u>			
Acrysil Gmbh	Subsidiary	253.95	242.98
2. <u>Other current assets</u>			
Acrysil Steel Limited	Subsidiary	-	48.72
Sternhagen Bath Private Limited	Subsidiary	0.30	0.30
Carysil Online Limited	Subsidiary	-	4.68

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIEN BELOW (CONTD.)

(₹ in Lakhs)			
Nature of transaction	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
Total...		0.30	53.70
3. <u>Trade Payables</u>			
Acrysil Steel Limited	Subsidiary	1.72	222.66
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	85.69	-
Total...		87.41	222.66
4. <u>Trade receivables</u>			
Acrysil Steel Limited	Subsidiary	-	2.95
Acrysil Gmbh	Subsidiary	132.36	0.00
Acrysil Products Limited	Subsidiary	1,158.12	1,029.08
Total...		1,290.48	1,032.03
5. <u>Intercorporate loans taken</u>			
Carysil Online Limited	Subsidiary	108.31	111.18
6. <u>Advances to suppliers</u>			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	257.95
Ashwanila Charitable Trust	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	5.47	4.27
Total...		5.47	262.22
7. <u>Advances from customers</u>			
Acrysil GMBH	Subsidiary	-	99.67
Acrysil Steel Limited	Subsidiary	0.06	3.67
Total...		0.06	103.34
8. <u>Other current liabilities</u>			
Acrysil Steel Limited	Subsidiary	-	1.53
<u>Key management personnel and relatives</u>			
1. <u>Remuneration *</u>			
Mr. Chirag Parekh	Chairman & Managing Director	336.56	200.00
Mr. Anand Sharma	Chief Financial Officer	92.99	36.77
Mrs. Neha Poddar	Company Secretary	25.84	10.86
Ms. Rhea Chirag Parekh	Relative of KMP	4.91	-
Total...		460.30	247.63
* including contribution to PF and other funds and ESOP expenses			
2. <u>Loan repaid</u>			
Mr. Chirag Parekh	Chairman & Managing Director	-	40.00
3. <u>Loan taken</u>			
Mr. Chirag Parekh	Chairman & Managing Director	-	40.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Nature of transaction	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
4. Interest paid			
Mr. Chirag Parekh	Chairman & Managing Director	-	0.84
5. Sitting Fees			
Mr. Jagdish R Naik	Independent Director	2.90	1.85
Mr. Ajit R Sanghvi	Independent Director	3.35	2.30
Mr. Pradeep H Gohil	Independent Director	3.35	2.35
Dr. Sonal Ambani	Independent Director	3.55	2.55
Mr. Rustam Mulla	Independent Director	2.70	1.95
Total...		15.85	11.00
Outstanding Balances:			
1. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	0.85	0.85
2. Other advances			
Mrs. Neha Poddar	Company Secretary	0.25	0.15

NOTE 38. ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

a. Ratio

No.	Particulars	Numerator	Denominator	As at March 31,		Variance	Reason for variance, if more than 25%
				2022	2021		
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.20	1.22	(1.74)	
2	Debt-Equity Ratio (in times)	Total debt	Shareholders' equity	0.61	0.60	1.88	
3	Debt Service Coverage Ratio (in times)	Earning available for service debt	Interest costs, scheduled repayments of long term liabilities	3.50	3.66	(4.18)	
4	Return on Equity Ratio (%)	Net profit after taxes	Average shareholder's equity	29.29	18.90	55.01	Increase in profit
5	Inventory Turnover Ratio (No. of days)	Net sales	Average inventory	54.09	61.60	(12.18)	
6	Trade Receivables Turnover Ratio (No. of days)	Net credit sales	Average trade receivables	67.40	84.97	(20.68)	
7	Trade Payables Turnover Ratio (No. of days)	Net credit purchases	Average trade payables	76.65	80.13	(4.34)	
8	Net Capital Turnover Ratio (in times)	Net sales	Working capital	9.28	7.51	23.60	
9	Net Profit Ratio (%)	Net profit	Operating revenue	13.28	10.72	23.85	
10	Return on Capital Employed (%)	Earning before interest and taxes	Capital employed	22.72	18.20	24.82	
11	Return on Investments (%)	Income generated from invested funds	Average invested funds	28.54	-	100.00	Increase in dividend receipts

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

- b. The title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. The Company does not have any transactions with struck-off companies.
- g. The Company has used the borrowings from banks for the specific purpose for which it was obtained.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (intermediaries), with the understanding that the intermediary shall;
 - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
 - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. Quarterly returns or statements of current assets filed by the Company with banks are generally in agreement with the books of accounts.
- m. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

NOTE NO. 39 EMPLOYEE SHARE BASED PAYMENTS :

During the year ended March 31, 2022, the Company implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on May 03, 2021. The Plan enables grant of stock options to the eligible employees of the Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in aggregate shall not be equal to to exceed 1% of the issued capital of the Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a)	Details of stock options granted:			
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	Outstanding options at the beginning of the year	-	-	-
	Option granted during the year	112,500	67,500	45,000
	Options exercised during the year	-	-	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	(13,500)	(8,100)	(5,400)
	Balance at the end of the year	99,000	59,400	39,600
	Weighted average remaining life (years)	-	1	2
b)	Fair value of stock options granted:			
	Fair value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:			
1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend yeild (%)	0.34	0.34	0.34
5	Market price at the time of grant of options (₹)	354.86	354.86	354.86

During the year, the Company has recognised expense of ₹ 287.87 Lakhs previous year: Nil. Expenses in respect of ESOPs granted to the employees of subsidiaries ₹ 81.95 Lakhs are recognised as capital contribution to subsidiaries.

40. BALANCES FOR TRADE RECEIVABLES, TRADE PAYABLES AND LOANS AND ADVANCES ARE SUBJECT TO CONFIRMATIONS FROM THE RESPECTIVE PARTIES.

41. ALL THE AMOUNTS ARE STATED IN INDIAN ₹ IN LAKHS, UNLESS OTHERWISE STATED.

42. PREVIOUS YEAR'S FIGURES ARE REGROUPED AND REARRANGED, WHEREVER NECESSARY.

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of

ACRYSIL LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Acrysil Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, a summary of the significant accounting policies and notes to the consolidated financial statements (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022 and of the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters in respect of the Holding Company to be communicated in our report:

Key Audit Matter:

Revenue from the sale of goods ("Revenue") is recognized when the Holding Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Holding Company.

Auditor's Response:

Our audit approach was a combination of test of internal controls and substantive procedures including assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof; evaluating the integrity of the general information and control environment and testing the operating effectiveness of key controls.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the consolidated financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT (Contd.)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial

reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as going concern. If we conclude that a material uncertainty

INDEPENDENT AUDITOR'S REPORT (Contd.)

exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial

statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 13,527.36 lacs as at 31st March, 2022, total revenues of ₹ 15,484.62 lacs and net profit after tax (including other comprehensive income) of ₹ 1,836.01 lacs for the year as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except following:

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Name	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
1	Acrysil Limited	Holding Company	(iii)(e)	Renewal of loan
2	Carysil Online Limited	Subsidiary	(iii)(e)	Renewal of loan

2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;
 - c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
 - e) On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms section 164(2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – A may be referred;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and according to the reports of the auditors of the subsidiaries incorporated in India, remuneration paid by the Holding Company and its subsidiaries incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company or its subsidiaries incorporated in India.
 - iv. a. The respective managements of the Holding Company and its subsidiaries, has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiaries

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (“Ultimate beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- b. The respective managements of the Holding company and its subsidiaries, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company or subsidiaries from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- i) The dividend declared or paid during the year by the Holding Company is in compliance with section 123 of the Act. No dividend has been declared or paid during the year by subsidiaries incorporated in India.

For **P A R K & COMPANY**
Chartered Accountants
FRN: 116825W

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 22170275AJCUHH4699

Bhavnagar
May 17, 2022

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of **Acrysil Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of subsidiaries which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiaries incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that –

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the auditors referred to in Other Matters paragraph below, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries incorporated in India, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For **P A R K & COMPANY**
Chartered Accountants
FRN: 116825W

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 22170275AJCUHH4699

Bhavnagar
May 17, 2022

CONSOLIDATED BALANCE SHEET

as at March 31, 2022

Particulars	Note No.	(₹ in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	16,833.61	12,117.99
Right of use assets	3	1,226.54	495.15
Capital work in progress	2	2,074.55	1,001.32
Intangible assets	4	179.96	185.45
Goodwill		2,391.77	2,391.77
Financial assets			
Investments		-	-
Loans	5	-	-
Other financial assets	6	157.54	122.95
Other non-current assets	7	1,711.35	714.68
		24,575.32	17,029.31
Current Assets			
Inventories	8	10,422.78	5,455.10
Financial assets			
Investments		-	-
Trade receivables	9	10,037.34	8,302.13
Cash and cash equivalents	10	527.65	773.53
Other bank balances	11	607.10	1,239.55
Loans	5	15.15	13.23
Other financial assets	6	1,264.45	1,732.45
Current tax assets (net)	12	4,593.08	2,901.77
Other current assets	7	3,290.35	1,670.44
		30,757.90	22,088.20
Total Assets		55,333.22	39,117.51
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	533.90	533.90
Other equity	14	24,835.56	18,607.57
Non controlling interests		324.26	256.00
		25,693.72	19,397.47
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	3,857.80	2,170.64
Lease liabilities		981.76	458.33
Other financial liabilities	16	-	-
Provisions	17	75.51	68.71
Deferred tax liabilities (net)	18	462.27	397.67
Other non-current liabilities	19	-	-
		5,377.34	3,095.35
Current liabilities			
Financial Liabilities			
Borrowings	15	9,867.97	7,958.07
Lease liabilities		295.71	97.93
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		1,616.21	1,024.29
Total outstanding dues of creditors other than Micro and Small Enterprises		6,324.32	3,153.25
Other financial liabilities	16	322.64	324.25
Other current liabilities	19	689.36	785.62
Provisions	17	162.96	102.87
Current tax liabilities (net)	12	4,982.99	3,178.41
		24,262.16	16,624.69
Total Liabilities		55,333.22	39,117.51

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	2021-2022	2020-2021
REVENUE:			
Revenue from operations (net)	21	48,390.14	30,971.66
Other income	22	1,006.69	800.55
Total income		49,396.83	31,772.21
EXPENSES:			
Cost of materials consumed	23	19,156.73	10,384.62
Purchases of stock-in-trade		5,564.27	3,102.20
Changes in inventories	24	(3,775.23)	689.04
Employee benefits expenses	25	3,358.86	2,224.13
Finance costs	26	958.64	730.21
Depreciation and amortisation expenses	27	1,772.32	1,266.43
Other expenses	28	13,753.19	7,992.37
Total expenses		40,788.78	26,389.00
Profit before exceptional items and tax		8,608.05	5,383.21
Exceptional Items		-	-
Profit before tax		8,608.05	5,383.21
Tax expenses			
Current tax	12	2,034.15	1,238.32
Earlier years' tax		(14.00)	8.48
Deferred tax		62.25	204.65
Profit for the year		6,525.65	3,931.76
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		9.32	(23.19)
b. Tax impacts on above		(2.35)	5.83
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		(3.03)	(0.64)
Other comprehensive income for the year		3.94	(18.00)
Total comprehensive income for the year		6,529.59	3,913.76
Profit for the year attributable to:			
Owners of the Parent		6,476.18	3,912.36
Non-controlling interests		49.47	19.40
		6,525.65	3,931.76
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		3.91	(18.14)
Non-controlling interests		0.03	0.14
		3.94	(18.00)
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		6,480.09	3,894.22
Non-controlling interests		49.50	19.54
		6,529.59	3,913.76
Basic earning per share	29	24.26	14.66
Diluted earning per share	29	24.13	14.66
Face value per share		2.00	2.00

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit for the year	6,525.65	3,931.76
Adjustments for -		
Depreciation and amortisation	1,772.32	1,266.43
Income tax expenses	2,082.40	1,451.45
Loss / (profit) on sale of property, plant & equipment	(54.44)	(1.46)
Employee stock options	369.82	-
Impairment loss recognised on trade receivables and others	44.99	538.28
Exchange rate adjustments (net)	(3.03)	(0.64)
Interest income	(62.84)	(116.45)
Finance cost	958.64	730.21
Operating profit before working capital changes	5,107.86	3,867.82
Adjustments for -		
Trade and other receivables	(716.26)	(3,146.91)
Other current and non-current assets	(2,616.58)	(763.19)
Inventories	(4,967.68)	519.30
Provision	76.21	15.41
Other current and non-current liabilities	(96.26)	339.49
Trade and other payables	3,757.96	1,022.25
Cash generated from operations	(4,562.62)	(2,013.65)
Income tax paid	(1,906.88)	(1,244.01)
NET CASH FROM OPERATING ACTIVITIES	5,164.01	4,541.92
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant & equipment	(7,722.02)	(3,655.46)
Sale of property, plant & equipment	408.56	63.10
Interest received	62.84	116.45
NET CASH USED IN INVESTING ACTIVITIES	(7,250.62)	(3,475.91)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	3,597.06	496.01
Payment of lease liabilities	(197.95)	(121.35)
Changes in non-controlling interest	37.52	-
Dividend paid to owner of the Company	(641.63)	(528.99)
Interest paid	(954.27)	(730.21)
NET CASH USED IN FINANCING ACTIVITIES	1,840.73	(884.54)
Net Increase in Cash and Cash Equivalents	(245.88)	181.47
Cash and cash equivalents as at beginning of the year	773.53	592.06
Cash and cash equivalents as at end of the year	527.65	773.53

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

A. SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
At the beginning of the year	533.90	533.90
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current year	-	-
At the end of the year	533.90	533.90

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Other Comprehensive Income							Other Equity Attributable to owners of Parent	Non-controlling interest
	General reserve	Retained earnings	Capital reserve	Security premium	Share based payment reserve	Foreign currency translation reserve	Net gain/(loss) on fair value of defined benefit plan		
As at April 01, 2020	4,199.60	6,990.36	25.20	4,035.29	-	10.62	(13.82)	15,247.25	236.46
Profit for the year	-	3,912.36	-	-	-	-	-	3,912.36	19.40
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(0.64)	(17.50)	(18.14)	0.14
Transfer from retained earnings to general reserve	500.00	(500.00)	-	-	-	-	-	-	-
Final dividend, declared and paid during the year	-	(533.90)	-	-	-	-	-	(533.90)	-
As at March 31, 2021	4,699.60	9,868.82	25.20	4,035.29	-	9.98	(31.32)	18,607.57	256.00
Profit for the year	-	6,476.18	-	-	-	-	-	6,476.18	49.47
Addition during the year	-	-	-	18.76	-	-	-	18.76	18.76
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(3.03)	6.94	3.91	0.03
Transfer from retained earnings to general reserve	1,000.00	(1,000.00)	-	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	369.82	-	-	369.82	-
Final dividend, declared and paid during the year	-	(640.68)	-	-	-	-	-	(640.68)	-
As at March 31, 2022	5,699.60	14,704.32	25.20	4,054.05	369.82	6.95	(24.38)	24,835.56	324.26

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

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

COMPANY INFORMATION

Acrysil Limited (“the Holding Company”) is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at A-702, Kanakia Wall Street, Andheri-Kurla Road, Andheri (East), Mumbai – 400 093. The equity shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended March 31, 2022.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements (“the financial statements”) were authorised for issue in accordance with the resolution of the Board of Directors of the Company on May 17, 2022.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group’s financial statements are reported in Indian Rupees, which is also the Group’s functional currency, and all values are rounded to the nearest Lacs except otherwise indicated.

1.2 Significant accounting policies:

a. System of accounting

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

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realised within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the Group’s normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date;
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

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

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

1.2 Basis for consolidation:

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group members financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary companies used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

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

Sr. No.	Entity	Proportion of Ownership Interest as at March 31, 2022
1	Acrysil Steel Limited	84.99%
2	Acrysil GmbH – Germany	100.00%
3	Acrysil Products Limited – United Kingdom	100.00%

Sr. No.	Entity	Proportion of Ownership Interest as at March 31, 2022
4	Acrysil UK Limited – United Kingdom	100.00%
5	Carysil Online Limited (formerly known as "Acrysil Appliances Limited")	100.00%
6	Sternhagen Bath Private Limited	84.90%

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

- A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.
- The Company combines the financial statements of the parent and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions among the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.
- A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognises the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

c. Property, plant and equipment

- Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value on transition date to Ind AS i.e April 01, 2017 as deemed cost) including attributable interest and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use and design and property rights of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. Goodwill

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

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

e. Investments and financial assets

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

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

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

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

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

f. Inventories

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realisable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

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

h. Trade receivables

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

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments

which are issued for cash are recorded at the proceeds received, net of direct issue costs.

j. Financial liabilities

- (i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

k. Trade payables

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

l. Revenue recognition

- (i) Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements.

Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.
- (iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

m. Custom Duty and GST:

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

n. Foreign currency transactions

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

o. Employee benefit expenses

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.
- (iv) Employee Share based Payments: The Holding Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share-based payments is recognised as expense on a straight-line basis over the vesting period, based on the Holding Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

the end of each reporting period, the Holding Company revises its estimate of number of equity shares expected to vest.

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

p. Leases

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

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

q. Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. Impairment of non-financial assets

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

s. Taxation

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

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

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

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

t. Provisions and contingent liabilities

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

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

u. Earnings Per Share

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

(ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period

attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

v. Segment reporting

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

w. Offsetting instruments

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

x. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at April 01, 2020	3,413.55	2,315.96	3,081.84	6,024.21	456.17	821.99	516.81	16,630.53
Additions	127.39	701.08	1,601.60	797.07	83.22	218.11	-	3,528.47
Disposals	-	(73.18)	-	-	-	(3.28)	-	(76.46)
As at March 31, 2021	3,540.94	2,943.86	4,683.44	6,821.28	539.39	1,036.82	516.81	20,082.54
Additions	87.75	2,011.68	2,980.68	1,237.92	138.04	55.96	124.84	6,636.87
Disposals	(345.63)	-	-	-	-	-	(18.90)	(364.53)
As at March 31, 2022	3,283.06	4,955.54	7,664.12	8,059.20	677.43	1,092.78	622.75	26,354.88
Accumulated depreciation								
As on April 01, 2020	-	477.98	1,639.08	3,420.49	420.67	518.26	375.15	6,851.63
Depreciation charged	-	95.22	329.31	525.54	46.69	86.71	44.27	1,127.74
Disposals	-	(14.65)	-	-	-	(0.17)	-	(14.82)
As at March 31, 2021	-	558.55	1,968.39	3,946.03	467.36	604.80	419.42	7,964.55
Depreciation charged	-	123.52	583.28	604.21	81.49	120.51	54.12	1,567.13
Disposals	-	-	-	-	-	-	(10.41)	(10.41)
As at March 31, 2022	-	682.07	2,551.67	4,550.24	548.85	725.31	463.13	9,521.27
Net carrying value								
As at March 31, 2021	3,540.94	2,385.31	2,715.05	2,875.25	72.03	432.02	97.39	12,117.99
As at March 31, 2022	3,283.06	4,273.47	5,112.45	3,508.96	128.58	367.47	159.62	16,833.61

CAPITAL WORK IN PROGRESS AGEING SCHEDULE:

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022					
Projects in progress	2,074.55	-	-	-	2,074.55
	2,074.55	-	-	-	2,074.55
March 31, 2021					
Projects in progress	1,001.32	-	-	-	1,001.32
	1,001.32	-	-	-	1,001.32

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 3: RIGHT OF USE ASSETS

Particulars	(₹ in Lakhs)	
	Building	Total
Gross carrying value		
As at March 31, 2020	294.57	294.57
Additions	544.67	544.67
Disposals	(146.66)	(146.66)
As at March 31, 2021	692.58	692.58
Additions	1,164.52	1,164.52
Disposals	(440.33)	(440.33)
As at March 31, 2022	1,416.77	1,416.77
Accumulated depreciation		
As at March 31, 2020	152.45	152.45
Depreciation charged	118.31	118.31
Disposals	(73.33)	(73.33)
As at March 31, 2021	197.43	197.43
Depreciation charged	187.78	187.78
Disposals	(194.98)	(194.98)
As at March 31, 2022	190.23	190.23
Net carrying value		
As at March 31, 2021	495.15	495.15
As at March 31, 2022	1,226.54	1,226.54

Leases - Company as a lessee

(a) Set out below, are the amounts recognised in profit and loss:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Amortisation expense of right-of-use assets	187.78	118.31
Interest expense on lease liabilities	62.38	16.88
Lease expense- Short term and lease of low value assets	207.72	254.17
	457.88	389.36

(b) Lease liabilities included in the financial statements:

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Current	295.71	97.93
Non-current	981.76	458.33
Total lease liabilities	1,277.47	556.26

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 4: INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Design & Property Rights	Computer Software	Total
Gross carrying value (at deemed cost)			
As at April 01, 2020	165.09	100.97	266.06
Additions	-	34.54	34.54
As at March 31, 2021	165.09	135.51	300.60
Additions	-	11.92	11.92
As at March 31, 2022	165.09	147.43	312.52
Accumalated depreciation			
As on April 01, 2020	37.88	56.89	94.77
Depreciation charged	16.51	3.87	20.38
As at March 31, 2021	54.39	60.76	115.15
Depreciation charged	16.51	0.90	17.41
As at March 31, 2022	70.90	61.66	132.56
Net carrying value			
As at March 31, 2021	110.70	74.75	185.45
As at March 31, 2022	94.19	85.77	179.96

NOTE 5: LOANS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Unsecured, considered good				
Employee loans	-	-	15.15	13.23
Other loans	-	-	-	-
Total loans	-	-	15.15	13.23

NOTE 6: OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Security deposits	157.54	122.95	-	-
Claims receivables	-	-	1,044.20	1,525.36
Forward contract premium receivables	-	-	175.83	143.48
Interest receivables	-	-	44.42	63.61
Total other financial assets	157.54	122.95	1,264.45	1,732.45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 7: OTHER ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Trade advances to suppliers	-	-	293.56	607.10
Less: Provision for doubtful advances	-	-	(22.86)	(22.86)
			270.70	584.24
Capital advances	1,711.35	714.68	-	-
Advances to staff	-	-	12.28	18.02
Prepaid expenses	-	-	311.44	44.66
Input credit receivables	-	-	2,615.18	967.33
Other advances	-	-	80.75	56.19
Total other assets	1,711.35	714.68	3,290.35	1,670.44
includes:				
- To companies or firms in which some of the directors are interested	-	-	5.47	257.95

NOTE 8: INVENTORIES

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Stores & spares	116.63	53.89
Stock-in-trade	3,115.36	1,649.00
Raw materials	1,145.22	486.97
Finished goods	2,916.17	1,449.68
Semi finished goods	1,692.54	850.16
Bought out items	1,158.28	740.56
Packing materials	278.58	224.84
Total inventories	10,422.78	5,455.10

NOTE 9: TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Unsecured, considered good	9,988.11	8,252.79
Unsecured, significant increase in credit risk	98.69	98.70
Unsecured, considered doubtful	102.03	70.42
Less: Loss allowance for doubtful debts	(151.49)	(119.78)
Total trade receivables	10,037.34	8,302.13

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

9.1 TRADE RECEIVABLES AGEING SCHEDULE:

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
(₹ in Lakhs)							
March 31, 2022							
Undisputed, considered good	6,561.50	3,378.36	22.45	25.80	-	-	9,988.11
Undisputed having significant increase in credit risk	-	-	-	-	39.30	-	39.30
Undisputed trade receivables-credit impaired	-	-	-	-	-	61.20	61.20
Disputed having significant increase in credit risk	-	-	-	-	59.39	-	59.39
Disputed trade receivables-credit impaired	-	-	-	-	-	40.83	40.83
	6,561.50	3,378.36	22.45	25.80	98.69	102.03	10,188.83
Less: Allowance for credit losses							(151.49)
Total trade receivables							10,037.34
March 31, 2021							
Undisputed, considered good	4,812.23	3,219.59	69.74	151.23	-	-	8,252.79
Undisputed having significant increase in credit risk	-	-	-	-	98.70	-	98.70
Undisputed trade receivables-credit impaired	-	-	-	-	-	70.42	70.42
	4,812.23	3,219.59	69.74	151.23	98.70	70.42	8,421.91
Less: Allowance for credit losses							(119.78)
Total trade receivables							8,302.13

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
Balances with banks	522.91	583.21
Short term deposits	-	150.00
Cash on hand	4.74	40.32
Total cash and cash equivalents	527.65	773.53

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 11: OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Dividend accounts	53.26	54.21
Other term deposits*	553.84	1,185.34
Total other bank balances	607.10	1,239.55

* includes ₹ 41.68 Lakhs (₹ 136.12 Lakhs) balances with banks under lien with banks against various credit facilities

NOTE 12: INCOME TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Income tax assets	4,593.08	2,901.77
Current income tax liabilities	4,982.99	3,178.41
Net assets / (liabilities)	(389.91)	(276.64)
The gross movement in the current tax (asset) / liability		
Net liabilities	276.64	273.85
Net current income tax liabilities at the beginning	276.64	273.85
Income tax paid (net of refunds)	(1,906.88)	(1,244.01)
Current income tax expense	2,020.15	1,246.80
Net current income tax asset at the end	389.91	276.64

NOTE 13: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subscribed and Paid up		
2,66,94,880 equity shares of ₹ 2 each	533.90	533.90
Total equity share capital	533.90	533.90

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

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :

(₹ in Lakhs)

Particulars	As at MARCH 31, 2022		As at MARCH 31, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	26,694,880	533.90	26,694,880	533.90
Issue of equity shares during the year	-	-	-	-
Balance at end of the year	26,694,880	533.90	26,694,880	533.90

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

c. Shares held by promoters and promoter group :

(₹ in Lakhs)

Name of Shareholder	As at MARCH 31, 2022		As at MARCH 31, 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Chirag Parekh	8,633,480	32.34	8,633,480	32.34	-
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18	-
Pushpa R Parekh	734,760	2.75	734,760	2.75	-
Shetal C Parekh	550,000	2.06	550,000	2.06	-
Jatin R Parekh	419,250	1.57	419,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-

Name of Shareholder	As at MARCH 31, 2021		As at MARCH 31, 2020		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Chirag Parekh	8,633,480	32.34	8,629,730	32.33	0.01
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18	-
Pushpa R Parekh	734,760	2.75	734,760	2.75	-
Shetal C Parekh	550,000	2.06	550,000	2.06	-
Jatin R Parekh	419,250	1.57	419,250	1.57	-
Mala M Sanghrajka	37,500	0.14	37,500	0.14	-
Ashwin M Parekh	-	-	3,750	0.01	0.01

d. Shares held by each shareholder holding more than five percent shares :

(₹ in Lakhs)

Particulars	As at MARCH 31, 2022		As at MARCH 31, 2021	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	8,633,480	32.34	8,633,480	32.34
Abakkus Emerging Opportunities Fund - 1	1,643,050	6.15	1,722,338	6.45
Acrycol Minerals Limited	1,381,760	5.18	1,381,760	5.18

e. Rights, preferences and restrictions attached to shares :

The Company has one class of equity shares having a face value of ₹ 2 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 14: OTHER EQUITY

Particulars	(₹ in Lakhs)	
	MARCH 31, 2022	MARCH 31, 2021
Capital reserve	25.20	25.20
General reserve		
Balance at the beginning of the year	4,699.60	4,199.60
Transferred from retained earnings	1,000.00	500.00
Balance at the end of the year	5,699.60	4,699.60
Securities premium account		
Addition during the year	18.76	-
	4,054.05	4,035.29
Retained earnings		
Balance at the beginning of the year	9,868.82	6,990.36
Profit for the year	6,476.18	3,912.36
Appropriations		
Transfer to general reserve	(1,000.00)	(500.00)
Dividend	(640.68)	(533.90)
Balance at the end of the year	14,704.32	9,868.82
Share based payment reserve	-	-
Addition during the year	369.82	-
	369.82	-
Other components of equity:		
Remeasurement of defined benefit plans (net of tax)	(24.38)	(31.32)
Exchange differences on foreign currency translation of foreign operations	6.95	9.98
	(17.43)	(21.34)
Total other equity	24,835.56	18,607.57

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Share based payment reserve: This represents the fair value of the stock options granted by the Parent Company under the Employees Stock Option Plan 2021 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earnings when the relevant obligations are derecognised.

Foreign currency translation reserve: Exchange difference on translation of long term monetary asset is accumulated in separate reserve within equity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 15: BORROWINGS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Secured				
Term loans from banks	3,857.80	2,170.64	-	-
Working capital finance from banks	-	-	8,678.11	7,273.49
Current maturities of long-term debt	-	-	1,189.86	684.58
	3,857.80	2,170.64	9,867.97	7,958.07
Unsecured	-	-	-	-
	-	-	-	-
Total borrowings	3,857.80	2,170.64	9,867.97	7,958.07

NOTE 16: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Payable towards services received			233.16	237.38
Unclaimed dividend	-	-	53.96	54.91
Interest accrued and due	-	-	13.81	9.44
Deposits from distributors and others	-	-	21.71	22.52
Total other financial liabilities	-	-	322.64	324.25

NOTE 17: PROVISIONS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Provision for leave encashment	71.95	60.22	14.23	11.85
Provision for bonus	-	-	148.49	50.90
Provision for gratuity	3.56	8.49	0.24	40.12
Total provisions	75.51	68.71	162.96	102.87

NOTE 18: DEFERRED TAX LIABILITIES

(₹ in Lakhs)

Particulars	MARCH 31, 2022	MARCH 31, 2021
On account of timing differences in		
Depreciation on property, plant & equipment	623.90	637.22
Provision for doubtful debts	(37.67)	(108.69)
Other disallowances under tax laws	(123.96)	(130.86)
	462.27	397.67

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 19: OTHER LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2022	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2021
Advances from customers	-	-	195.60	216.00
Payable for capital assets	-	-	-	40.00
Statutory liabilities	-	-	473.35	447.22
Other liabilities	-	-	20.41	82.40
Total other liabilities	-	-	689.36	785.62

NOTE 20: TRADE PAYABLES

(₹ in Lakhs)

Particulars	Current	
	MARCH 31, 2022	MARCH 31, 2021
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	1,616.21	1,024.29
Total outstanding dues of creditors other than Micro and Small Enterprises	6,324.32	3,153.25
Total trade payables	7,940.53	4,177.54

20.1 TRADE PAYABLES AGEING SCHEDULE:

(₹ in Lakhs)

Particular	Not due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
March 31, 2022						
Outstanding dues to MSME	1,329.13	287.01	0.07	-	-	1,616.21
Others	4,083.50	2,141.26	16.50	8.73	74.33	6,324.32
Total	5,412.63	2,428.27	16.57	8.73	74.33	7,940.53
March 31, 2021						
Outstanding dues to MSME	959.26	65.03	-	-	-	1,024.29
Others	2,445.79	588.08	10.02	24.67	84.69	3,153.25
Total	3,405.05	653.11	10.02	24.67	84.69	4,177.54

NOTE 21: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Sale of products		
Export sales	38,175.11	23,652.24
Domestic sales	9,745.91	6,370.77
	47,921.02	30,023.01
Other operating revenue		
Export incentives & credits	68.12	817.74
Other operating income	401.00	130.91
Total revenue from operations	48,390.14	30,971.66

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 22: OTHER INCOME

Particulars	(₹ in Lakhs)	
	2021-2022	2020-2021
Interest income		
Banks	52.04	86.49
Others	10.80	29.96
Gain on foreign currency fluctuation	846.45	582.92
Profit on sale of property, plant & equipment (net)	54.44	1.46
Sunbsidy income	-	81.99
Miscellaneous income	42.96	17.73
Total other income	1,006.69	800.55

NOTE 23: COST OF MATERIALS CONSUMED

Particulars	(₹ in Lakhs)	
	2021-2022	2020-2021
Raw material consumed		
Opening stock	486.97	586.15
Add: Purchases	12,722.04	5,971.31
	13,209.01	6,557.46
Less: Closing stock	(1,145.22)	(486.97)
	12,063.79	6,070.49
Packing material consumed		
Opening stock	224.84	119.63
Add: Purchases	4,119.18	2,588.80
	4,344.02	2,708.43
Less: Closing stock	(278.58)	(224.84)
	4,065.44	2,483.59
Bought out items	3,027.50	1,830.54
Total cost of materials consumed	19,156.73	10,384.62

NOTE 24: CHANGES IN INVENTORIES

Particulars	(₹ in Lakhs)	
	2021-2022	2020-2021
Closing Stock		
Finished goods	2,916.17	1,449.68
Stock-in-trade	3,115.36	1,649.00
Semi finished goods	1,692.54	850.16
	7,724.07	3,948.84
Opening Stock		
Finished goods	1,449.68	1,292.91
Stock-in-trade	1,649.00	2,150.22
Semi finished goods	850.16	1,194.75
	3,948.84	4,637.88
Changes in inventories	(3,775.23)	689.04

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 25: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Salaries, wages, bonus and allowances	2,246.29	1,673.05
Directors' remuneration	482.52	302.38
Leave compensation	13.06	45.14
Contribution to provident fund and other welfare funds	127.54	72.04
Gratuity	9.00	26.92
Staff welfare expenses	480.45	104.60
Total employee benefit expenses	3,358.86	2,224.13

NOTE 26: FINANCE COSTS

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Interest		
Banks	754.58	605.93
Income tax	57.07	13.03
Others	74.60	40.94
	886.25	659.90
Other borrowing cost	70.63	53.77
Exchange rate difference	1.76	16.54
Total finance costs	958.64	730.21

NOTE 27: DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Depreciation on tangible assets	1,754.91	1,246.05
Depreciation on intangible assets	17.41	20.38
Total depreciation and amortisation	1,772.32	1,266.43

NOTE 28: OTHER EXPENSES

(₹ in Lakhs)		
Particulars	2021-2022	2020-2021
Manufacturing Expenses		
Power & fuel	1,432.39	695.33
Machinery repairs and maintenance	158.67	256.74
Stores and spares	1,225.04	626.49
Other expenses	2,012.82	1,123.33
	4,828.92	2,701.89

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Selling and Distribution Expenses		
Sales commission	174.59	152.35
Advertisement and business promotion	835.73	477.51
Export freight and insurance	4,966.53	1,915.71
Other selling expenses	798.35	522.16
	6,775.20	3,067.73
Administrative and Other Expenses		
Rent	207.72	254.17
Rates & taxes	17.47	3.49
Travelling expenses	412.35	228.92
Postage and telephone expenses	34.82	53.25
Printing & stationery expenses	72.85	59.95
Insurance premiums	83.56	57.13
Building and other repairs	233.87	209.82
Bank discount, commission and other charges	133.11	109.52
Legal and professional fees	359.47	308.11
Payment to auditors	102.51	103.71
Directors sitting fees	18.15	12.40
Corporate social responsibility expenses	57.43	32.81
Donations	2.24	1.94
Bad debts, provision for doubtful advances and other write-offs	44.99	538.28
General expenses	368.53	249.25
	2,149.07	2,222.75
Total other expenses	13,753.19	7,992.37
1. Amount required to be spent u/s 135(5) of the Companies Act 2013	49.10	29.77
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	57.43	32.81
3. (Excess)/Shortfall at the end of the year	(8.33)	(3.04)
4. Nature of CSR activities	Education, health, wellness, animal welfare.	
5. Details of related party transactions in relation to CSR expenditure to Ashwanilla Charitable Trust	15.73	29.62
Payments to auditors		
Audit fees	96.15	97.21
Tax audit fees	2.40	2.30
Other services	3.96	4.20
	102.51	103.71

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 29: EARNING PER SHARE

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Profit for the year (₹ in Lakhs)	6,476.18	3,912.36
Weighted average number of shares for basic earning per share (Nos)	26,694,880	26,694,880
Weighted average number of shares for diluted earning per share (Nos)	26,843,877	26,694,880
Earnings per share (Basic) ₹	24.26	14.66
Earnings per share (Diluted) ₹	24.13	14.66
Face value per share ₹	2.00	2.00

NOTE 30: FAIR VALUE MEASUREMENT

FINANCIAL INSTRUMENTS BY CATEGORY :

(₹ in Lakhs)

Particulars	March 31, 2022				March 31, 2021			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	10,037.34	10,037.34	-	-	8,302.13	8,302.13
Loans - non-current	-	-	-	-	-	-	-	-
Loans - current	-	-	15.15	15.15	-	-	13.23	13.23
Other financial assets - non-current	-	-	157.54	157.54	-	-	122.95	122.95
Other financial assets - current	-	-	1,264.45	1,264.45	-	-	1,732.45	1,732.45
Cash and cash equivalents	-	-	527.65	527.65	-	-	773.53	773.53
Other bank balances	-	-	607.10	607.10	-	-	1,239.55	1,239.55
Total financial assets	-	-	12,609.23	12,609.23	-	-	12,183.84	12,183.84
Financial liabilities								
Borrowings								
Long term borrowings	-	-	3,857.80	3,857.80	-	-	2,170.64	2,170.64
Short term borrowings	-	-	9,867.97	9,867.97	-	-	7,958.07	7,958.07
Lease liabilities - non-current	-	-	981.76	981.76	-	-	458.33	458.33
Lease liabilities - current	-	-	295.71	295.71	-	-	97.93	97.93
Trade payables	-	-	7,940.53	7,940.53	-	-	4,177.54	4,177.54
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	322.64	322.64	-	-	324.25	324.25
Total financial liabilities	-	-	23,266.41	23,266.41	-	-	15,186.76	15,186.76

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 31: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in ₹	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. CREDIT RISK

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Group. The Group regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

B. LIQUIDITY RISK

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

Particulars	(₹ in Lakhs)		
	Less than or equal to one year	more than one year	Total
As on March 31, 2022			
Financial Assets			
Non-current investments	-	-	-
Loans	15.15	-	15.15
Trade receivables	10,037.34	-	10,037.34
Cash and cash equivalents	527.65	-	527.65
Other bank balances	607.10	-	607.10
Other financial assets	1,264.45	157.54	1,421.99
Total financial assets	12,451.69	157.54	12,609.23

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Less than or equal to one year	more than one year	Total
Financial Liabilities			
Long term borrowings	-	3,857.80	3,857.80
Short term borrowings	9,867.97	-	9,867.97
Lease liabilities	295.71	981.76	1,277.47
Trade payables	7,940.53	-	7,940.53
Other financial liabilities	322.64	-	322.64
Total financial liabilities	18,426.85	4,839.56	23,266.41
As on March 31, 2021			
Financial Assets			
Non-current investments	-	-	-
Loans	13.23	-	13.23
Trade receivables	8,302.13	-	8,302.13
Cash and cash equivalents	773.53	-	773.53
Other bank balances	1,239.55	-	1,239.55
Other financial assets	1,732.45	122.95	1,855.40
Total financial assets	12,060.89	122.95	12,183.84
Financial Liabilities			
Long term borrowings	-	2,170.64	2,170.64
Short term borrowings	7,958.07	-	7,958.07
Lease liabilities	97.93	458.33	556.26
Trade payables	4,177.54	-	4,177.54
Other financial liabilities	324.25	-	324.25
Total financial liabilities	12,557.79	2,628.97	15,186.76

C. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2022	+100	137.26
	-100	(137.26)
March 31, 2021	+100	101.29
	-100	(101.29)

Group's exposure to foreign currency risk at the end of each reporting period is as under:

c) Exposure in foreign currency -Hedged

Category	MARCH 31, 2022	MARCH 31, 2021
Option Contract - Buy		
USD/EURO/GBP	214.04	144.81
Option Contract - Sell		
USD/EURO	0.75	4.50

d) Exposure in foreign currency - Unhedged

Currency	MARCH 31, 2022	MARCH 31, 2021
USD	57.79	42.15
EURO	25.45	12.78
GBP	11.90	13.02
Payables		
USD	2.32	2.91
EURO	5.87	4.99
GBP	-	-

e) Foreign currency sensitivity

The Group is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against ₹, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in Lakhs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2022	USD	+5%	210.23
	USD	-5%	(210.23)
March 31, 2021	USD	+5%	148.72
	USD	-5%	(148.72)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2022	GBP	+5%	59.40
	GBP	-5%	(59.40)
March 31, 2021	GBP	+5%	65.01
	GBP	-5%	(65.01)
March 31, 2022	EURO	+5%	82.43
	EURO	-5%	(82.43)
March 31, 2021	EURO	+5%	32.80
	EURO	-5%	(32.80)

NOTE 32: CAPITAL MANAGEMENT

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Total debts	13,725.77	10,128.71
Total equity	25,369.46	19,141.47
Total debts to equity ratio	0.54	0.53

DIVIDENDS

(₹ in Lakhs)

Dividends recognised in the financial statements	March 31, 2022	March 31, 2021
Interim Dividend of ₹ 1.20 (0.80) per equity share	320.34	213.56
Final dividend ₹ 1.20 (1.20) per equity share	320.34	320.34
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 1.20 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	320.34	320.34

NOTE 33: CONTINGENT LIABILITIES

(₹ in Lakhs)

No. Particulars	MARCH 31, 2022	MARCH 31, 2021
1. In respect of goods and service tax	30.02	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 34: EMPLOYEE BENEFITS

EMPLOYEE BENEFITS

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. Wherever the Group creates plan assets, it makes contributions to approved gratuity fund.

Funded Scheme - Gratuity

	(₹ in Lakhs)	
Particulars	March 31, 2022	March 31, 2021
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	228.84	206.42
Fair value of plan assets	236.11	166.73
Net unfunded obligation/assets	(7.27)	39.69
Expense recognised in the statement of profit and loss		
Current service cost	25.40	21.48
Interest on net defined benefit asset	2.75	1.85
Total expense charged to profit and loss Account	28.15	23.33
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss account	42.42	17.92
Remeasurements during the period due to:		
Return on plan assets	(8.74)	22.94
Actual (gain)/loss on obligation for the period	(0.32)	1.56
Closing amount recognised in OCI outside profit & loss account	33.36	42.42
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	39.69	26.87
Expense charged to profit and loss account	28.15	23.33
Amount recognised outside profit and loss account	(9.06)	24.50
Benefits paid	-	-
Employer contributions	(66.05)	(35.01)
Closing net defined benefit liability/(asset)	(7.27)	39.69
Movement in benefit obligation		
Opening of defined benefit obligation	206.42	160.54
Current service cost	25.40	21.48
Interest on defined benefit obligation	14.30	10.98
Actuarial loss/(gain) arising from change in financial assumptions	(8.95)	(1.65)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Benefits directly paid by the employer	-	-
Benefits paid	(8.54)	(9.53)
Actuarial loss/(gain) on obligation -Due to Experience	0.21	24.60
Closing of defined benefit obligation	228.84	206.42
Movement in plan assets		
Opening fair value of plan assets	166.73	133.67
Actual return on plan assets excluding interest on plan assets	0.32	(1.56)
Interest income	11.55	9.14
Contributions by employer	66.05	35.01
Benefits paid	(8.54)	(9.53)
Closing of defined benefit obligation	236.11	166.73
Principal actuarial assumptions		
Discount Rate	7.35	6.93
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

SENSITIVITY ANALYSIS FOR SIGNIFICANT ASSUMPTION IS AS SHOWN BELOW:

(₹ in Lakhs)				
No.	Particulars	Sensitivity level	March 31, 2022	March 31, 2021
1	Discount Rate	1% Increase	(19.06)	(17.03)
		1% Decrease	22.37	19.83
2	Salary	1% Increase	21.14	18.67
		1% Decrease	(18.69)	(16.49)
3	Employee Turnover	1% Increase	(0.15)	(0.43)
		1% Decrease	0.08	0.45

The following are the expected future benefit payments for the defined benefit plan:

(₹ in Lakhs)			
No.	Particulars	March 31, 2022	March 31, 2021
1	Within the next 12 months (next annual reporting period)	17.51	13.42
2	Between 2 and 5 years	51.97	50.82
3	Beyond 5 years	481.43	387.12

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

UNFUNDED SCHEME - GRATUITY

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	11.07	8.93
Fair value of plan assets	-	-
Net unfunded obligation	11.07	8.93
Expense recognised in the statement of profit and loss		
Current service cost	1.79	1.75
Interest on net defined benefit asset	0.62	0.63
Total expense charged to profit and loss Account	2.41	2.38
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	(1.79)	(0.48)
Remeasurements during the period due to:		
Return on plan assets	-	-
Actual (gain)/loss on obligation for the period	(0.27)	(1.31)
Closing amount recognised in OCI outside profit & loss account	(2.06)	(1.79)
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	8.93	9.13
Expense charged to profit and loss account	2.41	2.38
Amount recognised outside profit and loss account	(0.27)	(1.31)
Employer contributions	-	(1.27)
Closing net defined benefit liability/(asset)	11.07	8.93
Movement in benefit obligation		
Opening of defined benefit obligation	8.93	9.13
Current service cost	1.79	1.75
Interest on defined benefit obligation	0.62	0.63
Actuarial loss/(gain) arising from change in financial assumptions	(0.55)	(0.13)
Benefits paid	-	(1.27)
Actuarial loss/(gain) on obligation -Due to Experience	0.28	(1.18)
Closing of defined benefit obligation	11.07	8.93
Principal actuarial assumptions		
Discount Rate	7.33	6.95
Salary escalation rate p.a.	7.00	7.00
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

SENSITIVITY ANALYSIS FOR SIGNIFICAT ASSUMPTION IS AS SHOWN BELOW:

(₹ in Lakhs)

No.	Particulars	Sensitivity level	March 31, 2022	March 31, 2021
1	Discount Rate	1% Increase	(1.27)	(1.09)
		1% Decrease	1.52	1.31
2	Salary	1% Increase	1.51	1.30
		1% Decrease	(1.29)	(1.10)
3	Employee Turnover	1% Increase	0.01	(0.03)
		1% Decrease	(0.01)	0.03

The following are the expected future benefit payments for the defined benefit plan:

(₹ in Lakhs)

No.	Particulars	March 31, 2022	March 31, 2021
1	Within the next 12 months (next annual reporting period)	0.24	0.18
2	Between 2 and 5 years	1.14	0.89
3	Beyond 5 years	32.82	26.22

NOTE 35: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2021-2022, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE SUPPLIERS REGARDING THEIR STATUS UNDER THE ACT.

(₹ in Lakhs)

No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	1,616.21	1,024.29
2	Interest due on above	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 36: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIEN BELOW:

Sr No.	Particulars	Country of incorporation
(i)	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
1	Acrycol Minerals Limited	India
2	Ashwanila Charitable Trust Bhavnagar	India
(ii)	Key Managerial Personnel	
3	Mr. Chirag A Parekh	India
4	Dr. Sonal V Ambani	India
5	Mr. Jagdish R Naik	
6	Mr. Ajit R Sanghavi	
7	Mr. Pradeep H Gohil	
8	Mr Rustam N Mulla	
9	Mr. Marcus J Smyth	
10	Mr. Anand H Sharma	
11	Mrs. Neha A Poddar	
12	Ms. Pooja D Ponda (w.e.f. 20th August, 2021)	
(iii)	Relatives of Key Managerial Personnel	
13	Ms. Rhea Chirag Parekh (w.e.f. 05th August, 2021)	

(₹ in Lakhs)

Nature of transaction	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
1. <u>Purchase of materials</u>			
Acrycol Minerals Limited	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	2,461.17	1,520.47
2. <u>Corporate Social Responsibility</u>			
Ashwanila Charitable Trust Bhavnagar	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	15.73	29.62
3. <u>Donations</u>			
Ashwanila Charitable Trust Bhavnagar	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	3.00	1.68
Outstanding balances:			
1. <u>Trade Payables</u>			
Acrycol Minerals Limited	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	85.69	-
2. <u>Other current Assets</u>			

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

(₹ in Lakhs)

Nature of transaction	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
Ashwanila Charitable Trust Bhavnagar	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	5.47	4.27
Acrycol Minerals Limited	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives	-	257.95
Key management personnel and relatives			
1. Remuneration*			
Mr. Chirag A Parekh	Chairman & Managing Director	336.56	200.00
Mr. Marcus J Smyth	Director	145.96	102.38
Mr. Anand H Sharma	Chief Financial Officer	92.99	36.77
Mrs. Neha A Poddar	Company Secretary	25.84	10.86
Ms. Pooja D Ponda	Company Secretary - Acrysil Steel Limited	2.53	-
Ms. Rhea Chirag Parekh	Relative of KMP	4.91	-
	Total...	608.79	350.01
* including contribution to PF and other funds and ESOP expenses			
2. Loan repaid			
Mr. Chirag A Parekh	Chairman & Managing Director	-	40.00
3. Loan taken			
Mr. Chirag A Parekh	Chairman & Managing Director	-	40.00
4. Interest paid			
Mr. Chirag A Parekh	Chairman & Managing Director	-	0.84
5. Sitting Fees			
Dr. Sonal V Ambani	Independent Director	4.70	3.25
Mr. Jagdish R Naik	Independent Director	3.35	1.85
Mr. Ajit R Sanghavi	Independent Director	3.35	2.30
Mr. Pradeep H Gohil	Independent Director	4.50	3.05
Mr. Rustam N Mulla	Independent Director	2.25	1.95
	Total...	18.15	12.40
Outstanding Balances:			
1. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	0.85	0.85
2. Other advances			
Mrs. Neha Poddar	Company Secretary	0.25	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

NOTE 37: DISCLOSURE IN TERMS OF SCHEDULE III OF THE COMPANIES ACT, 2013

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
1. Parent								
Acrysil Limited	78.96	20,032.32	79.56	5,152.39	173.40	6.78	79.62	5,159.17
2. Subsidiaries								
Acrysil Steel Limited	9.13	2,316.16	5.10	330.55	(5.12)	0.20	5.10	330.75
Carysil Online Limited	0.43	110.25	0.09	6.08	-	-	0.09	6.08
Sternhagen Bath Private Limited	0.00	0.68	(0.01)	(0.94)	-	-	(0.01)	(0.94)
Acrysil UK Limited	9.68	2,455.04	21.43	1,387.58	-	-	21.41	1,387.58
Acrysil Gmbh	0.77	196.18	1.04	67.40	-	-	1.04	67.40
Acrysil Products Limited	15.01	3,808.55	22.58	1,462.59	-	-	22.57	1,462.59
Add/(Less): Inter-company adjustments	(13.99)	(3,549.72)	(7.61)	(1,929.47)	(78.52)	(3.07)	(29.82)	(1,932.54)
Total...	100.00	25,369.46	100.00	6,476.18	100.00	3.91	100.00	6,480.09

NOTE NO. 38 EMPLOYEE SHARE BASED PAYMENTS :

During the year ended March 31, 2022, the Parent Company implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on May 03, 2021. The Plan enables grant of stock options to the eligible employees of the Parent Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in aggregate shall not be equal to to exceed 1% of the issued capital of the Parent Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Parent Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a)	Details of stock options granted:			
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	Outstanding options at the beginning of the year	-	-	-
	Option granted during the year	112,500	67,500	45,000
	Options exercised during the year	-	-	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	(13,500)	(8,100)	(5,400)
	Balance at the end of the year	99,000	59,400	39,600
	Weighted average remaining life (years)	-	1	2
b)	Fair value of stock options granted:			
	Fair value of stock options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:			
1	Risk free rate (%)	5.97	5.97	5.97
2	Expected life (years)	0.13	1.13	2.13
3	Expected volatility (%)	46.02	43.69	41.23
4	Dividend yeild (%)	0.34	0.34	0.34
5	Market price at the time of grant of options (₹)	354.86	354.86	354.86

During the year, the Parent Company has recognised expense of ₹ 287.87 Lakhs previous year: Nil). Expenses in respect of ESOPs granted to the employees of subsidiaries ₹ 81.95 Lakhs are recognised as capital contribution to subsidiaries.

NOTE NO. 39. ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

- The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.
- The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- The Group do not have any transactions with struck-off companies.
- The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2022 (Contd.)

- g. The Group have complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- h. The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i. The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

40. BALANCES FOR TRADE RECEIVABLES, TRADE PAYABLES AND LOANS AND ADVANCES ARE SUBJECT TO CONFIRMATIONS FROM THE RESPECTIVE PARTIES.

41. ALL THE AMOUNTS ARE STATED IN INDIAN ₹ IN LAKHS, UNLESS OTHERWISE STATED.

42. PREVIOUS YEAR'S FIGURES ARE REGROUPED AND REARRANGED, WHEREVER NECESSARY.

Signatures to Notes 1 to 42

As per our report of even date

For **P A R K & COMPANY**
Chartered Accountants

ASHISH DAVE
Partner

Bhavnagar
May 17, 2022

For and on behalf of the Board of Directors

CHIRAG PAREKH
Chairman & Managing Director
DIN:00298807

ANAND SHARMA
Chief Financial Officer

Bhavnagar / Mumbai
May 17, 2022

JAGDISH NAIK
Director
DIN:00030172

NEHA PODDAR
Company Secretary

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

(₹ in Lakhs)

Sr. No.	Particulars	Details				
		Acrysil Steel Limited	Sternhagen Bath Private Limited	Acrysil GmbH, Germany	Carysil Online Limited (Formerly known as Acrysil Appliances Limited)	Acrysil UK Limited (Group)
1	Name of the subsidiary					
2	Reporting period for subsidiary concerned, if different from the holding company's reporting period	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
3	Reporting currency and Exchange rate as on last date of the relevant Financial year in the case of foreign subsidiaries	₹	₹	EURO	₹	GBP
4	Share Capital	666.00	10.00	171.48	100.00	667.74
5	Reserves & Surplus	1650.16	(9.32)	24.70	10.25	4267.50
6	Total Assets	5437.87	1.23	668.59	114.24	7305.45
7	Total Liabilities (excluding Share Capital and Reserves & Surplus)	3121.71	0.55	472.41	3.99	2370.21
8	Investments	-	-	-	-	-
9	Turnover	4598.95	-	967.13	-	9774.06
10	Profit before taxation	461.29	(0.94)	74.20	6.56	1777.11
11	Provision for taxation	130.74	-	6.80	0.48	344.39
12	Profit after taxation	330.55	(0.94)	67.40	6.08	1432.72
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	84.99%	84.90%	100%	100%	100%
15	Rupee Equivalent of 1 Unit of Foreign Currency as at March 31, 2022	N.A.	N.A.	84.20	N.A.	99.83

PART "B": ASSOCIATES AND JOINT VENTURE

Statement Pursuant to section 129(3) of companies act, 2013 related to Associates and Joint Venture

Name of the Associates / Joint Venture	
1. Latest audited Balance Sheet Date	NOT APPLICABLE
2. Shares of Associates / Joint Ventures held by the Company on the year end	
No.	
Amount of Investment in Associates / Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the Associates / joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

For and on behalf of the Board of Directors

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

Jagdish Naik
Director
(DIN: 00030172)

Anand Sharma
Chief Financial Officer

Neha Poddar
Company Secretary

Date: May 17, 2022

Place: Bhavnagar/ Mumbai

Disclaimer: -

This document contains statements about expected future events and financial & operating results of Acrysil Limited ('the Company') which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of the Acrysil Limited Annual Report 2021-22.



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