

ACRYSIL STEEL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2022

INDEPENDENT AUDITOR'S REPORT

To
The Members of
ACRYSIL STEEL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Acrysil Steel 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 financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 its profit including other 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 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 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 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 financial statements.

Information Other than the 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 financial statements and auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 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 other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the 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.

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 financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) 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) No remuneration is paid by the Company to its directors during the year. Hence, the question of compliance with the provisions of section 197 of the Act does not arise.
 - 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 does not have any material pending litigations which would impact its financial position in its 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 were no amounts which were 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, 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. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

Bhavnagar
May 17, 2022



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Manoj Ganatra

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 22043485AJCVDO7966

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.

The Company has maintained proper records showing full particulars of intangible assets.

- b. 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.
- c. 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.
- d. The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
- e. 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 the 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 Rs. 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. The difference is not material which is on account of valuation, provisions etc. during the course of audit subsequent to the submission of such returns or statements.

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	1.72
Balances of loans outstanding as on balance sheet date - others	1.92

- b. The terms and conditions of the grant of these loans 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.
- 4 There are no loans, investments, guarantees or securities in respect of which provisions of sections 185 and 186 of the Act are applicable.
- 5 The Company has not accepted any deposits from public or 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. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable.
- 6 The Central Government has not prescribed maintenance of the cost records under section 148(1) of the Companies Act, 2013.
- 7 In respect of statutory and other dues:
 - a. The Company has been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees state insurance, income tax, cess, and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable
 - b. There are no statutory dues outstanding, which have not been deposited on account of dispute.
- 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
 - a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.



- c. The Company has utilized the terms loans obtained during the year for the purposes for which they were obtained.
 - d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
 - e. The Company does not have any subsidiary, joint venture or associates. The requirement to report under clause 3(ix)(e) and (f) of the Order is, therefore, not applicable.
- 10
- a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
 - b. The Company has made any preferential allotment of equity during the year in accordance with the applicable provisions of the Act and the funds so raised have been utilized for the purposes for which it was raised.
- 11
- a. No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
 - b. 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.
 - c. 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, the requirement to report under clause 3 (xii) of the Order are not applicable to the Company.
- 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
- Provisions of internal audit are not applicable to the Company. The requirement to report under clause 3 (xiv) of the Order is, therefore, not applicable.
- 15
- The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- 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 The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The requirement to report under of clause 3 (xii) of the Order is, therefore, not applicable to the Company.

Bhavnagar
May 17, 2022



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Manoj Ganatra

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 22043485AJCVDO7966

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 Steel Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the 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.

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.

Bhavnagar
May 17, 2022



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 22043485AJCVDO7966

ACRYSIL STEEL LIMITED

BALANCE SHEET AS AT 31st MARCH, 2022

(₹ in lacs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	2,079.46	1,579.26
Capital work in progress	2	400.26	32.93
Intangible assets	3	1.00	1.10
Financial assets			
Loans	4	-	-
Other financial assets	5	1.98	4.74
Deferred tax assets (net)	6	-	32.83
Other non-current assets	7	105.26	51.58
		2,587.96	1,702.44
Current Assets			
Inventories	8	1,448.71	917.25
Financial assets			
Investments		-	-
Trade receivables	9	980.08	596.93
Cash and cash equivalents	10	3.25	9.55
Other bank balances	11	17.46	14.02
Loans	4	1.92	2.34
Other financial assets	5	2.91	1.79
Current tax assets (net)	12	113.29	46.52
Other current assets	7	282.29	46.70
		2,849.91	1,635.10
Total Assets		5,437.87	3,337.54
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	666.00	541.00
Other equity	14	1,650.16	1,162.89
		2,316.16	1,703.89
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	799.01	223.94
Other financial liabilities	16	-	-
Provisions	17	17.28	14.62
Deferred tax liabilities (net)	18	5.13	-
Other non-current liabilities	19	-	-
		821.42	238.56
Current liabilities			
Financial Liabilities			
Borrowings	15	759.15	452.43
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		471.19	283.22
Total outstanding dues of creditors other than Micro and Small Enterprises		901.69	517.43
Other financial liabilities	16	7.78	6.62
Other current liabilities	19	27.26	68.93
Current tax liabilities (net)	12	130.17	64.23
Provisions	17	3.05	2.23
		2,300.29	1,395.09
Total Liabilities		5,437.87	3,337.54

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered AccountantsMANOJ GANATRA
PartnerPOOJA PONDRA
Company Secretary

For and on behalf of the Board of Directors

CHIRAG PAREKH
DirectorPRADEEP GOHIL
DirectorBhavnagar
May 17, 2022Bhavnagar/Mumbai
May 17, 2022

ACRYSIL STEEL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(₹ in lacs)

Particulars	Note No.	2021-2022	2020-2021
INCOME:			
Revenue from operations (net)	21	4,598.95	2,361.16
Other income	22	17.89	1.85
Total Income		4,616.84	2,363.01
EXPENSES:			
Cost of materials consumed	23	3,075.19	1,481.70
Purchases of stock-in-trade		167.94	72.53
Changes in inventories	24	(435.39)	(172.76)
Employee benefit expenses	25	157.72	92.67
Finance costs	26	87.74	64.00
Depreciation and amortization expenses	27	78.90	93.54
Other expenses	28	1,023.45	544.98
Total Expenses		4,155.55	2,176.66
Profit before exceptional items and tax		461.29	186.35
Exceptional Items		-	-
Profit before tax		461.29	186.35
Tax expenses			
Current tax	12	91.68	31.71
Earlier years' tax		1.17	2.60
Deferred tax		37.89	21.74
Profit for the year		330.55	130.30
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		0.27	1.31
b. Tax impacts on above		(0.07)	(0.36)
Items that may be reclassified to profit or loss			
Other comprehensive income for the year		0.20	0.95
Total Comprehensive income for the year		330.75	131.25
Basic and diluted earning per share	29	5.35	2.41
Face value per share		10.00	10.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner



Pooja
POOJA TONDA
Company Secretary

For and on behalf of the Board of Directors

CHIRAG PAREKH
Director

PRADEEP GOHI
Director

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

ACRYSIL STEEL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

A. SHARE CAPITAL

(₹ in lacs)

Particulars	31st March 2022	31st March 2021
At the beginning of the year	541.00	541.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Changes in equity share capital during the year	125.00	-
At the end of the year	666.00	541.00

B. OTHER EQUITY

(₹ in lacs)

Particulars	Reserves and surplus			Other Comprehensive Income	Total
	Securities Premium	Retained earnings	Share based payment reserve	Net gain/(loss) on fair value of defined benefit plan	
As at 1st April, 2020	61.20	969.96	-	0.48	1,031.64
Profit for the year	-	130.30	-	-	130.30
Other comprehensive income for the year (net of tax)	-	-	-	0.95	0.95
As at 31st March, 2021	61.20	1,100.26	-	1.43	1,162.89
Profit for the year	-	330.55	-	-	330.55
Share based payment expenses	-	-	31.52	-	31.52
Addition during the year	125.00	-	-	-	125.00
Other comprehensive income for the year (net of tax)	-	-	-	0.20	0.20
As at 31st March, 2022	186.20	1,430.81	31.52	1.63	1,650.16

The accompanying notes are integral part of these financial statements.

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants

MANOJ GANATRA
Partner



For and on behalf of the Board of Directors

CHIRAG PAREKH
Director

PRADEEP GOHIL
Director

POOJA PONDIA
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022

ACRYSIL STEEL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(₹ in lacs)

Particulars	2021-2022	2020-2021
A CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	330.55	130.30
Adjustments for -		
Depreciation and amortization	78.90	93.54
Impairment due to expected credit loss	8.90	12.93
Income tax expenses	130.74	56.05
Employee stock option expenses	31.52	-
Interest (net)	86.80	63.08
Operating profit before working capital changes	336.86	225.60
Adjustments for -		
Trade and other receivables	(393.42)	(136.84)
Other current and non-current assets	(289.27)	(56.00)
Inventories	(531.46)	(182.23)
Provisions	3.75	1.26
Other current and non-current liabilities	(41.67)	51.68
Trade and other payables	573.39	203.82
Cash generated from operations	(678.68)	(118.31)
Direct taxes paid	(93.68)	(44.75)
NET CASH FROM OPERATING ACTIVITIES	(104.95)	192.84
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant & equipment	(946.33)	(104.57)
Interest received	0.94	0.92
NET CASH USED IN INVESTING ACTIVITIES	(945.39)	(103.65)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	881.78	43.63
Repayments of borrowings	-	(68.28)
Proceeds from share allotment	250.00	-
Interest paid	(87.74)	(64.00)
NET CASH USED IN FINANCING ACTIVITIES	1,044.04	(88.65)
Net Increase in Cash and Cash Equivalents	(6.30)	0.54
Cash and cash equivalents as at beginning of the year	9.55	9.01
Cash and cash equivalents as at end of the year	3.25	9.55

As per our report of even date

For SANGHAVI & COMPANY
Chartered AccountantsMANOJ GANTRA
PartnerPOOJA FONDA
Company Secretary

For and on behalf of the Board of Directors

CHIRAG PAREKH
DirectorPRADEEP GOHIL
DirectorBhavnagar
May 17, 2022Bhavnagar/Mumbai
May 17, 2022

COMPANY INFORMATION

Acrysil Steel Limited ("the Company") is a public company domiciled in India and incorporated on 28th April, 2010 under the provisions of the Companies Act applicable in India. The Company is engaged in manufacturing and trading of Stainless Steel Kitchen Sinks, Kitchen Appliances and Accessories. The registered office of the Company is located at A 702, Kanakia Wall Street, Chakala,, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. The Company is a subsidiary company of Acrysil Limited.

The financial statements were authorized for issue in accordance with the resolution of the Board of Directors on 17th May, 2022.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These financial statements are the separate financial statements of the Company 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 lacs except otherwise indicated.

1.2 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 realized within 12 months after the reporting date;
- ✚ It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- ✚ All other assets are classified as non-current.
- ✚ A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the 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.

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

- Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value as on 1st April, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- 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.
- 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.
- 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.
- On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2017 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1st April 2017 except for certain class of assets which are measured at fair value as deemed cost.



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

d. 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 is 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 realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the 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 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 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 at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of excise duty, value added tax (VAT) or goods and service tax (GST) as applicable and returns, discounts, rebates and incentives. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.



- (iii) Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer.
- (iv) Export sales are recognised on the date of the mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of the transaction.
- (v) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- (vi) Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

l. Custom Duty and GST:

Purchased 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.

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 (INR), which is the company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

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. 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 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 Parent Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share based payments is expenses on a straight line basis over the vesting period, based on the Parent 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

Company as lessee

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

p. 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.

q. 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.



r. 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 recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

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

s. 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.

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.

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.



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 falls 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.



Note 2

Property, plant and equipment

Particulars	(₹ in lacs)						
	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles
Gross carrying value							
As at 1st April, 2020	742.10	474.76	559.02	106.10	20.38	9.48	38.17
Additions	-	99.82	225.17	7.41	2.03	-	-
Disposals	-	-	-	-	-	-	-
As at 31st March, 2021	742.10	574.58	784.19	113.51	22.41	9.48	38.17
Additions	-	303.43	186.59	63.75	15.00	10.23	-
Disposals	-	-	-	-	-	-	-
As at 31st March, 2022	742.10	878.01	970.78	177.26	37.41	19.71	38.17
Accumulated depreciation							
As on 1st April, 2020	-	99.56	372.59	83.03	19.23	7.41	29.92
Depreciation charged	-	16.35	64.45	8.65	0.87	0.54	2.58
Disposals	-	-	-	-	-	-	-
As at 31st March, 2021	-	115.91	437.04	91.68	20.10	7.95	32.50
Depreciation charged	-	19.37	44.48	9.68	2.17	1.33	1.77
Disposals	-	-	-	-	-	-	-
As at 31st March, 2022	-	135.28	481.52	101.36	22.27	9.28	34.27
Net carrying value							
As at 31st March, 2021	742.10	458.67	347.15	21.83	2.31	1.53	5.67
As at 31st March, 2022	742.10	742.73	489.26	75.90	15.14	10.43	3.90

The capital work in progress ageing schedule is as follow:

Particulars	(₹ in lacs)			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Capital work in progress for a period of				
As at 31st March, 2022	400.26	-	-	-
Projects in progress	400.26	-	-	-
As at 31st March, 2021	32.93	-	-	-
Projects in progress	32.93	-	-	-



Note 3

Intangible assets

(₹ in lacs)

Particulars	Computer Software	Total
Gross carrying value		
As at 1st April, 2020	9.55	9.55
Additions	0.32	0.32
As at 31st March, 2021	9.87	9.87
Additions	-	-
As at 31st March, 2022	9.87	9.87
Accumulated depreciation		
As at 1st April, 2020	8.67	8.67
Depreciation charged	0.10	0.10
Disposals	-	-
As at 31st March, 2021	8.77	8.77
Depreciation charged	0.10	0.10
Disposals	-	-
As at 31st March, 2022	8.87	8.87
Net carrying value		
As at 31st March, 2021	1.10	1.10
As at 31st March, 2022	1.00	1.00



Note 4**Loans**

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Loans:				
Unsecured, considered good				
Employee loans	-	-	1.92	2.34
Total loans	-	-	1.92	2.34

Note 5**Other financial assets**

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Security deposits	1.98	4.74	-	-
Claims receivables	-	-	1.30	0.21
Interest receivables	-	-	1.61	1.58
Total financial assets	1.98	4.74	2.91	1.79

Note 6 / 18**Deferred tax assets/(liabilities)**

(₹ in lacs)

Particulars	31st March	31st March
	2022	2021
On account of timing differences in		
Depreciation on property, plant & equipment	(81.29)	(49.04)
Disallowances u/s 40(a) and 43B of the Income Tax Act	76.16	81.87
Total deferred tax assets	(5.13)	32.83

Note 7**Other assets**

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Trade advances to suppliers	-	-	59.51	14.05
Less: Loss allowance for doubtful debts	-	-	(1.28)	(1.28)
	-	-	58.23	12.77
Capital advances	105.26	51.58	-	-
Prepaid expenses	-	-	9.33	2.99
Input credit receivables	-	-	214.73	30.94
Other advances	-	-	-	-
Total other assets	105.26	51.58	282.29	46.70



Note 8

Inventories

(₹ in lacs)

Particulars	31st March	31st March
	2022	2021
Stores & spares	38.95	20.91
Stock-in-trade	154.18	66.97
Raw materials	174.20	99.95
Finished goods	387.80	199.87
Semi finished goods	687.38	527.13
Bought out items	2.25	0.80
Packing materials	3.95	1.62
Total inventories	1,448.71	917.25

Note 9

Trade receivables

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31st March	31st March
	2022	2021
Unsecured, considered good	975.95	591.79
Unsecured, significant increase in credit risk	8.28	10.29
Unsecured, considered doubtful	19.23	9.20
Less: Loss allowance for doubtful debts	(23.38)	(14.35)
Total trade receivables	980.08	596.93
- Holding Company	1.72	220.30
- Fellow Subsidiary Company	29.05	-



9.1 Trade receivables ageing schedule:

(Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2022							
Undisputed, considered good	700.36	272.07	0.44	3.08	-	-	975.95
Undisputed having significant increase in credit risk	-	-	-	-	8.16	-	8.16
Undisputed trade receivables- credit impaired	-	-	-	-	-	14.33	14.33
Disputed having significant increase in credit risk	-	-	-	-	0.12	-	0.12
Disputed trade receivables- credit impaired	-	-	-	-	-	4.90	4.90
Total....	700.36	272.07	0.44	3.08	8.28	19.23	1,003.46
31st March, 2021							
Undisputed, considered good	538.56	42.44	2.40	8.39	-	-	591.79
Undisputed having significant increase in credit risk	-	-	-	-	10.29	-	10.29
Undisputed trade receivables- credit impaired	-	-	-	-	-	9.20	9.20
Total....	538.56	42.44	2.40	8.39	10.29	9.20	611.28



Note 10**Cash and cash equivalents**

(₹ in lacs)

Particulars	31st March 2022	31st March 2021
Balances with banks	2.76	6.17
Cash on hand	0.49	3.38
Total cash and cash equivalents	3.25	9.55

Note 11**Other bank balances**

(₹ in lacs)

Particulars	31st March 2022	31st March 2021
Other term deposits *	17.46	14.02
Total other bank balances	17.46	14.02

* under lien with banks against various credit facilities of ₹ 15.43 (14.02) lacs

Note 12**Income tax assets (net)**

(₹ in lacs)

Particulars	31st March 2022	31st March 2021
Current income tax liabilities	130.17	64.23
Income tax assets	113.29	46.52
Net liabilities	16.88	17.71
The gross movement in the current tax asset / (liability)		
Net current income tax asset at the beginning	(17.71)	(28.15)
Income tax paid (net of refunds)	93.68	44.75
Current income tax expense	(92.85)	(34.31)
Net current income tax asset/(liability) at the end	(16.88)	(17.71)

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	461.29	186.35
Applicable income tax rate	27.82%	15.60%
	128.33	29.07
Effect of expenses/depreciation/MAT credit for tax purpose (net)	(36.65)	2.64
Effect of income not considered for tax purpose	-	-
	(36.65)	2.64
Income tax expense charged to the Statement of Profit and Loss	91.68	31.71



Note 13

Equity share capital

(₹ in lacs)

Particulars	31st March	31st March
	2022	2021
Authorised		
90,00,000 equity shares of ₹ 10 each	900.00	900.00
	900.00	900.00
Issued, Subscribed and Paid up		
6,660,000 (5,410,000) equity shares of ₹ 10 each	666.00	541.00
Total equity share capital	666.00	541.00

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 lacs)

Particulars	As on 31st March, 2022		As on 31st March, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	54,10,000	541.00	54,10,000	541.00
Issued during the year	12,50,000	125.00	-	-
Balance at end of the year	66,60,000	666.00	54,10,000	541.00

c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March, 2022		As at 31st March 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Acrysil Limited	56,60,384	84.99	45,98,000	84.99	-
Chirag Parekh	8,74,511	13.13	7,10,000	13.12	0.01
Shetal C Parekh	1,23,105	1.85	1,00,000	1.85	-
Ashwin M Parekh	1,997	0.03	1,997	0.04	(0.01)

Name of Shareholder	As at 31st March, 2021		As at 31st March 2020		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Acrysil Limited	45,98,000	84.99	45,98,000	84.99	-
Chirag Parekh	7,10,000	13.12	7,10,000	13.12	-
Shetal C Parekh	1,00,000	1.85	1,00,000	1.85	-
Ashwin M Parekh	1,997	0.04	1,997	0.04	-

d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	Nos.	% of holding	Nos.	% of holding
Acrysil Limited	56,60,384	84.99	45,98,000	84.99
Shri Chirag Parekh	8,74,511	13.13	7,10,000	13.12

e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 10 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.



Note 14**Other equity**

Particulars	(₹ in lacs)	
	31st March	31st March
	2022	2021
<u>Securities premium account</u>		
Balance at the beginning of the year	61.20	61.20
Addition during the year	125.00	-
Balance at the end of the year	186.20	61.20
<u>Share based payment reserve</u>		
Balance at the beginning of the year	-	-
Addition during the year	31.52	-
Balance at the end of the year	31.52	-
<u>Retained earnings</u>		
Balance at the beginning of the year	1,100.26	969.96
Profit for the year	330.55	130.30
Balance at the end of the year	1,430.81	1,100.26
<u>Other components of equity</u>		
Remeasurement of defined benefit plans (net of tax)	1.63	1.43
	1.63	1.43
Total other equity	1,650.16	1,162.89

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.

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.

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.

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 derecognized.



Note 15
Borrowings

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Secured				
Term loans from banks	799.01	223.94	-	-
Working capital finance from banks	-	-	584.88	377.61
Current maturities of long-term debt	-	-	174.27	74.82
	799.01	223.94	759.15	452.43
Unsecured	-	-	-	-
	-	-	-	-
Total borrowings	799.01	223.94	759.15	452.43

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 16
Other financial liabilities

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Payable towards service rendered	-	-	7.78	6.62
Total other financial liabilities	-	-	7.78	6.62

Note 17
Provisions

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Provision for leave encashment	6.45	5.87	0.52	0.45
Provision for bonus	-	-	2.29	1.60
Provision for gratuity	10.83	8.75	0.24	0.18
Total provisions	17.28	14.62	3.05	2.23



Note 19

Other liabilities

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Advances from customers	-	-	21.61	15.79
Statutory liabilities	-	-	5.65	3.46
Other liabilities	-	-	-	49.68
Total other liabilities	-	-	27.26	68.93

Note 20

Trade payables

(₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2022	2021	2022	2021
Trade payables				
Total outstanding dues of Micro and Small Enterprises (refer note no. 34)	-	-	471.19	283.22
Total outstanding dues of creditors other than Micro and Small Enterprises	-	-	901.69	517.43
Total trade payables	-	-	1,372.88	800.65



20.1 Trade payables ageing schedule:

(Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
31st March, 2022						
Outstanding dues to MSME	461.09	10.09	-	-	-	471.18
Others	162.17	731.83	3.46	0.20	4.04	901.70
Total....	623.26	741.92	3.46	0.20	4.04	1,372.88
31st March, 2021						
Outstanding dues to MSME	219.28	63.94	-	-	-	283.22
Others	460.30	50.09	0.53	0.04	6.47	517.43
Total....	679.58	114.03	0.53	0.04	6.47	800.65



Note 21**Revenue from operations**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Sale of products		
Export sales	1,389.50	107.99
Domestic sales	2,864.13	2,121.19
	4,253.63	2,229.18
Other operating revenue		
Other operational income	345.32	131.98
Total revenue from operations	4,598.95	2,361.16

Note 22**Other income**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Interest receipts	0.94	0.92
Gain on foreign currency fluctuation	16.95	0.93
Total other income	17.89	1.85

Note 23**Cost of materials consumed**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Raw material consumed		
Opening stock	99.95	85.31
Add: Purchases	2,311.37	1,065.65
	2,411.32	1,150.96
Less: Closing stock	(174.20)	(99.95)
	2,237.12	1,051.01
Packing material consumed		
Opening stock	1.62	0.56
Add: Purchases	255.37	124.41
	256.99	124.97
Less: Closing stock	(3.95)	(1.62)
	253.04	123.35
Bought out items	585.03	307.34
Total cost of materials consumed	3,075.19	1,481.70



Note 24**Changes in inventories**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Closing Stock		
Finished goods	387.80	199.87
Stock-in-trade	154.18	66.97
Semi finished goods	687.38	527.13
	1,229.36	793.97
Opening Stock		
Finished goods	199.87	255.12
Stock-in-trade	66.97	53.65
Semi finished goods	527.13	312.44
	793.97	621.21
Changes in inventories	(435.39)	(172.76)

Note 25**Employee benefit expenses**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Salaries, wages, bonus, and allowances	109.35	82.92
Employee stock option expenses	31.52	-
Contribution to provident fund and other welfare funds	6.84	4.37
Staff welfare expenses	10.01	5.38
Total employee benefit expenses	157.72	92.67

Note 26**Finance costs**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Interest		
Banks	71.09	58.28
Income tax	4.00	1.61
Others	1.27	2.98
	76.36	62.87
Other borrowing costs	11.38	1.13
Total finance costs	87.74	64.00



Note 27**Depreciation and amortization expenses**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Depreciation on tangible assets	78.80	93.44
Amortization of intangible assets	0.10	0.10
Total depreciation and amortization	78.90	93.54

Note 28**Other expenses**

(₹ in lacs)

Particulars	2021-2022	2020-2021
Manufacturing expenses		
Power & fuel	57.11	37.84
Machinery repairs and maintenance	37.51	17.04
Stores and spares	276.15	149.32
Other expenses	290.78	161.91
	661.55	366.11
Selling and distribution expenses		
Advertisement and business promotion	2.33	3.41
Export freight and insurance	86.37	7.97
Other selling expenses	178.24	119.35
	266.94	130.73
Administrative and other expenses		
Rent	5.90	1.50
Rates & taxes	1.37	-
Travelling expenses	3.92	2.46
Postage and telephone expenses	0.80	1.33
Printing and stationery expenses	1.50	1.44
Insurance premiums	4.73	4.47
Building and other repairs	28.32	5.48
Bank discount, commission and other charges	5.56	2.67
Legal and professional fees	12.71	4.82
Payment to auditors	4.44	3.30
Directors sitting fees	1.40	0.60
Sundry balances written off	8.90	12.93
General expenses	15.41	7.14
	94.96	48.14
Total other expenses	1,023.45	544.98



Payments to auditors

Audit fees (including quarterly review)	2.00	1.70
Tax audit fees	0.40	0.30
Other services	2.04	1.30
	<u>4.44</u>	<u>3.30</u>

Note 29

Earning per share

Particulars	2021-2022	2020-2021
Profit for the year (₹ in lacs)	330.55	130.30
Weighted average number of shares (Nos)	61,78,443	54,10,000
Earnings per share (Basic and diluted) ₹	5.35	2.41
Face value per share ₹	10.00	10.00



Fair value measurement

Financial instruments by category :

Particulars	31st March 2022				31st March 2021			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	980.08	980.08	-	-	596.93	596.93
Loans - non-current	-	-	-	-	-	-	-	-
Loans - current	-	-	1.92	1.92	-	-	2.34	2.34
Other financial assets - non-current	-	-	1.98	1.98	-	-	4.74	4.74
Other financial assets - current	-	-	2.91	2.91	-	-	1.79	1.79
Cash and cash equivalents	-	-	3.25	3.25	-	-	9.55	9.55
Other bank balances	-	-	17.46	17.46	-	-	14.02	14.02
Total financial assets	-	-	1,007.60	1,007.60	-	-	629.37	629.37

Financial liabilities

Borrowings								
Long term borrowings	-	-	799.01	799.01	-	-	223.94	223.94
Short term borrowings	-	-	759.15	759.15	-	-	452.43	452.43
Trade payables	-	-	1,372.88	1,372.88	-	-	800.65	800.65
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities - current	-	-	7.78	7.78	-	-	6.62	6.62

Total financial liabilities

-	-	-	2,938.82	2,938.82	-	-	1,483.64	1,483.64
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Note 31**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:

(₹ in lacs)

Particulars	Less than or equal to	more than	Total
	one year	one year	
As on 31st March 2022			
Financial Assets			
Non-current investments	-	-	-
Loans	1.92	-	1.92
Trade receivables	980.08	-	980.08
Cash and cash equivalents	3.25	-	3.25
Other bank balances	17.46	-	17.46
Other financial assets	2.91	1.98	4.89
Total financial assets	1,005.62	1.98	1,007.60
Financial Liabilities			
Long term borrowings	-	799.01	799.01
Short term borrowings	759.15	-	759.15
Trade payables	1,372.88	-	1,372.88
Other financial liabilities	7.78	-	7.78
Total financial liabilities	2,139.81	799.01	2,938.82



As on 31st March 2021			
Financial Assets			
Non-current investments	-	-	-
Loans	2.34	-	2.34
Trade receivables	596.93	-	596.93
Cash and cash equivalents	9.55	-	9.55
Other bank balances	14.02	-	14.02
Other financial assets	1.79	4.74	6.53
Total financial assets	624.63	4.74	629.37
Financial Liabilities			
Long term borrowings	-	223.94	223.94
Short term borrowings	452.43	-	452.43
Trade payables	800.65	-	800.65
Other financial liabilities	6.62	-	6.62
Total financial liabilities	1,259.70	223.94	1,483.64

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.

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 lacs)		
Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2022	+100	15.58
	-100	(15.58)
March 31, 2021	+100	6.76
	-100	(6.76)

Company's exposure to foreign currency risk at the end of each reporting period is as under:

c) Exposure in foreign currency - Unhedged

(Amount in lacs)		
Currency	31st March 2022	31st March 2021
Receivables		
USD	8.71	0.34
GBP	0.30	-
EURO	0.02	0.02
Payables		
USD	0.02	0.07
EURO	0.85	0.48



d) 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 the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in lacs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2022	USD	+5%	32.94
	USD	-5%	(32.94)
March 31, 2021	USD	+5%	0.99
	USD	-5%	(0.99)
March 31, 2022	EURO	+5%	(3.56)
	EURO	-5%	3.56
March 31, 2021	EURO	+5%	0.09
	EURO	-5%	(0.09)

Note 32

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 lacs)

Particulars	As at	
	31st March 2022	31st March 2021
Total debt	1,558.16	676.37
Total equity	2,316.16	1,703.89
Total debt to equity ratio	0.67	0.40



Note 33**Employee benefits****Unfunded 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. Wherever the Company creates plan assets, it makes contributions to approved gratuity fund.

(₹ in lacs)		
No.	Particulars	31st March 2022 31st March 2021
Amount recognised in balance sheet		
	Present value of funded defined benefit obligation	11.07 8.93
	Fair value of plan assets	- -
	Net unfunded obligation	11.07 8.93
Expense recognised in the statement of profit and loss		
	Current service cost	1.79 1.75
	Expected return on plan assets	- -
	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)
	Benefits paid	- (1.27)
	Employer contributions	- -
	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

Sensitivity analysis for significant assumption is as shown below:

(₹ in lacs)

No.	Particulars	Sensitivity level	31st March 2022	31st March 2021
1	Discount Rate	1% Increase	(1.27)	(1.09)
		1% Decrease	1.52	1.31
2	Salary	1% Increase	1.51	1.30
		1% Decrease	(1.29)	(1.10)
3	Employee Turnover	1% Increase	0.01	(0.03)
		1% Decrease	(0.01)	0.03

The following are the expected future benefit payments for the defined benefit plan:

(₹ in lacs)

No.	Particulars	31st March 2022	31st March 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 34

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the suppliers regarding their status under the Act.

(₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
1	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.)		
2	Principal amount due to micro and small enterprises	471.19	283.22
3	Interest due on above	-	-



Note 35

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
<u>(i) Holding Company</u>		
1	Acrysil Limited	India
<u>(ii) Fellow Subsidiary Company</u>		
1	Acrysil Products Limited (formerly known as Home Style Products Limited)	United Kingdom
<u>(iii) Key Managerial Personnel</u>		
1	Mr. Chirag Parekh	Director
2	Dr. Sonal V Ambani	Independent Director
3	Mr. Pradeep H Gohil	Independent Director
4	Ms. Pooja Ponda (w.e.f. 11th March, 2021)	Company Secretary



(₹ in lacs)

Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021
<u>1. Sales of materials</u>			
Acrysil Limited	Holding Company	385.41	520.99
Acrysil Products Limited	Fellow Subsidiary Company	157.72	-
Total...		543.13	520.99
<u>2. Purchase of materials</u>			
Acrysil Limited	Holding Company	-	2.95
<u>3. Rent paid</u>			
Acrysil Limited	Holding Company	0.60	0.60
<u>4. Royalty Expenses</u>			
Acrysil Limited	Holding Company	9.92	5.77
<u>Outstanding balances:</u>			
<u>1. Trade receivables</u>			
Acrysil Limited	Holding Company	1.72	220.30
Acrysil Products Limited	Fellow Subsidiary Company	29.05	-
Total...		30.77	220.30
<u>2. Other liabilities</u>			
Acrysil Limited	Holding Company	-	48.72
<u>3. Trade payables</u>			
Acrysil Limited	Holding Company	-	2.95
<u>Key management personnel and relatives</u>			
<u>1. Sitting Fees</u>			
Mr. Pradeep H Gohil	Independent Director	0.70	0.30
Dr. Sonal Ambani	Independent Director	0.70	0.30
Total...		1.40	0.60
<u>2. Remuneration</u>			
Ms. Pooja Ponda	Company Secretary	4.10	0.24



36. 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 31st March,		Variance	Reason for variance, if more than 25%
				2022	2021		
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.24	1.17	5.71	
2	Debt-Equity Ratio (in times)	Total debt	Shareholders' equity	0.67	0.40	69.47	Increase in debt
3	Debt Service Coverage Ratio (in times)	Earning available for service debt	Interest costs, scheduled repayment of long-term liabilities	1.90	2.07	191.52	Increase in debt
4	Return on Equity Ratio (%)	Net profit after taxes	Average shareholder's equity	16.44	7.95	106.76	Increase in profit
5	Inventory Turnover Ratio (No. of days)	Sales	Average inventory	101.51	135.27	(24.96)	Increase in sales and
6	Trade Receivables Turnover Ratio (No. of days)	Net credit sales	Average trade receivables	67.66	86.79	(22.04)	
7	Trade Payables Turnover Ratio (No. of days)	Net credit purchases	Average trade payables	108.59	148.22	(26.74)	Increase in purchases and trade payables
8	Net Capital Turnover Ratio (in times)	Net sales	Working capital	7.74	9.29	(16.67)	
9	Net Profit Ratio (%)	Net profit	Operating revenue	7.19	5.52	30.24	Increase in profit
10	Return on Capital Employed (%)	Earning before interest and taxes	Capital employed	14.15	10.52	34.55	Increase in debt
11	Return on Investments (%)	Income generated from invested funds	Average invested funds	-	-	-	Not applicable



- 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 does not have any subsidiaries and therefore, compliance as to 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 is not applicable.
- i. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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
 - 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
 - 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. 37 Employee share based payments :

During the year ended 31st March, 2022, the Parent Company, Acrysil Limited, implemented Acrysil Employee Stock Option Plan 2021 ("the Plan"). The plan was approved by the shareholders through Postal Ballot on 3rd May, 2021. The Plan enables grant of stock options to the eligible employees of the Parent Company and its subsidiaries not exceeding 3,00,000 shares. The options granted under the Plan have a maximum vesting period of 3 years. The maximum number of options that can be granted to any eligible single employee during any one-year or in aggregate shall not be equal to or exceed 1% of the issued capital of the Parent Company at the time of grant.

The options granted are based on the performance of the employees during the year of the grant and their continuity to remain in service over the next 3 years. The process for determining the eligibility of employees for the grant of stock options under the Plan shall be determined by the Nomination and Remuneration Committee based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Parent Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period.

No.	Particulars	ESOP -1	ESOP -2	ESOP -3
a) Details of stock options granted:				
1	Grant date	May 20, 2021	May 20, 2021	May 20, 2021
2	Vesting date	May 19, 2022	May 19, 2023	May 19, 2024
3	Fair value at grant date (₹)	300.31	302.25	303.98
4	Exercise price	60.00	60.00	60.00
5	Outstanding options at the beginning of the year	-	-	-
	Option granted during the year	13,500	8,100	5,400
	Options exercised during the year	-	-	-
	Options forfeited during the year	-	-	-
	Options lapsed during the year	-	-	-
	Balance at the end of the year	13,500	8,100	5,400
	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 yield (%)	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 recognized expense of ₹ 31.52 lacs previous year: Nil).



38. Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.
39. All the amounts are stated in ₹ in lacs, unless otherwise stated.
40. Figures of previous years have been regrouped and rearranged wherever necessary.

Signatures to Notes 1 to 40

As per our report of even date

For SANGHAVI & COMPANY
Chartered Accountants


MANOJ GANATRA
Partner



For and on behalf of the Board of Directors


CHIRAG PAREKH
Director


PRADEEP GOHIL
Director


POOJA PONDA
Company Secretary

Bhavnagar
May 17, 2022

Bhavnagar/Mumbai
May 17, 2022