

CARYSIL[®]

Kitchen Sinks &
Built-in Kitchen Appliances

STERNHAGEN[®]

LUXURY BATHSUITES

 **Acrysil Limited**

34th Annual Report
2020-21

Forbes Asia
BEST UNDER A
BILLION
2020

“advancing through **Innovation.**
progressing through **Expansion.**”

BRAND DEVELOPMENT

TALENT ACQUISITION

GLOBALISATION

EXPANSION

INNOVATION

DIVERSIFICATION



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or

Simply scan the QR code to view our 34th Annual Report



Investor Information

CIN	: L26914MH1987PLC042283
ISIN	: INE482D01024
BSE Scrip Code	: 524091
NSE Symbol	: ACRYSIL
Dividend Declared	: Total ₹2/- per share (Interim: ₹0.80/- per share and Final: ₹1.20/- per share)
AGM Date	: September 22, 2021
AGM Venue/Mode	: Video Conferencing (VC)/ Other Audio - Visual Means (OAVM)



Disclaimer:

This document contains statements about expected future events which are based on the beliefs, opinions and expectations of Acrysil Limited ('the Company' or 'Acrysil') which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of the Acrysil Limited Annual Report 2020-21.

Tribute to Late Shri Ashwin M. Parekh



Late Shri Ashwin M. Parekh was the founder and the Chairman Emeritus of Acrysil. He was the one who laid the foundational stone for the organization's rich legacy. Under his able supervision and guidance, the Company progressed to earn a repute of indomitable trust.

Shri Ashwin M. Parekh was a true visionary and played a key role in the Company's transition from being a domestic player to a renowned global player. What started with the manufacturing of kitchen sinks gradually grew to include bathroom segment under his excellent leadership. In a span of three decades, Shri Ashwin M. Parekh handheld the Company and took it to a level to earn a bankable name. Today, Acrysil has developed strong partnerships with popular companies for distribution and marketing of its products.

Born in July 1939, Shri Ashwin M. Parekh hailed from the city of Bhavnagar. He was a insightful entrepreneur who established his expertise by guiding several companies across various industries towards excellence. He sincerely believed customer satisfaction and innovation to be the crux of the Company's success and had also initiated Acrysil's dedication to 'Serve and Grow'.

Shri Ashwin M. Parekh believed in leading by example, and his ethics were a great source of motivation for the Company's workforce. We humbly bow and salute the man, the leader and the visionary he was. His vision for the Company is our guiding light and we sincerely hope to follow his footsteps to traverse the Organisation towards the goal that he had envisaged.

Chirag A. Parekh
Chairman and Managing Director

Advancing through Innovation. Progressing through Expansion.

Evolution is nothing but the result of a constant endeavour to grow in the right direction and when the zeal to do it better each time and do new things every time fuels this endeavour, great results become inevitable.

In a business, the urge to expand and innovate are the foundational stones that sum up to success. Together, they form a strong base that progresses to new paths and destinations, strengthening capabilities and adding power to purpose.

At Acrysil, we have been driven by our passion for constantly innovating and consistently expanding. For years, we have relied on the zeal to innovate and expand as we progress in our journey of serving customers with myriad choices. At every step, we have used the power of our insights earned through decades and reinforced innovation to build a trusted brand known for its integrity and transparency.

We use innovation as a platform for our employees, partners, consumers and stakeholders to float their thoughts. These thoughts are then cultivated into ideas, executed to achieve goals and scaled to move forward. Thereby empowering ourselves not just to sustain but also thrive in the long-term journey. Our emphasis is on developing modern designs that are aesthetically appealing and powered through the right technology to elevate the standard of our products. Our drive for innovation perfectly reflects our commitment to excelling with time for offering the best-in-class products.

At Acrysil, we have been relentless in our pursuit of expansion. We have focused on ensuring consistent growth through capacity expansion, enhanced product profile, and greater emphasis on quality standards and customer-centricity. For us, the enthusiasm to expand is the catalysing ingredient that inches us closer to advancement each time. We strive to expand the Company across the globe and touch more lives while increasing our value proposition. It's a journey wherein we are constantly focusing on scaling operations, penetrating distribution network, increasing in-house product development and better consumer awareness.

We are committed to individually and collectively exceed our goals. Our persistent focus on business objectives and earnestness to perform consistently helps us enrich our customers' lives through exceptional quality while also setting us apart.

“

Our flexible, agile, responsible and responsive business model drives our growth as we 'advance through Innovation and progress through Expansion'.

”

12% YOY
Revenue Growth
in 2020-21

NSE LISTING
in January 2021

470 BPS
EBITDA Margin
Expansion in 2020-21

Recognised by Forbes Asia
**BEST UNDER A
BILLION LIST 2020**

72% YOY
Profit after Tax Growth
in 2020-21



Our World @Acrysil

Acrysil Limited ('Acrysil', 'the Company' or 'We') was founded in 1987. Promoted by the Parekh family, Acrysil Limited a part of Acrysil Group, is leading at the forefront in its industry. We rank among the top 4 global players in manufacturing and marketing of Composite Quartz Kitchen Sinks, powered by German technology.

We have a diverse range of offerings from Quartz kitchen sinks, stainless steel kitchen sinks, faucets, food waste disposers to built-in kitchen appliances such as chimneys, cook-tops, and wine chillers, among others.

For us, excellence is not a goal but a habit. We strive to offer exceptional service and our brands 'Carysil' and 'Sternhagen' with strong brand recall stand proof to the unparalleled trust and confidence we have gained from our end-users over the years. Our constant endeavour is to respond to the evolving needs of our customers promptly. As a result, we are now consciously taking a leap to provide a complete range of products for luxury bathrooms and kitchens.

Corporate Values

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

Behaviour and Principles

- Transparency
- Sustainability
- Environment friendly
- Empowerment and accountability
- Welfare and Safety of employees
- Trust and Respect
- Social responsibility



Data Capsule

Production Capacity

7,00,000* PA

Quartz Sinks Capacity

90,000 PA

Stainless Steel Sinks Capacity

7,000 PA

Appliances Capacity

*As on June 2021



MISSION

- ▼ To go beyond customer satisfaction by manufacturing high-quality products and providing excellent service
- ▼ To keep up with the latest trends in technology
- ▼ To enhance brand awareness by increasing market influence

VISION

To be the leading global player in Kitchen and Bath segment

CORE VALUES

- ▼ Creativity
- ▼ Passion
- ▼ Precision
- ▼ Diversity

Corporate Overview

Statutory Reports

Financial Statements

Dedicated Distribution Channels

90%
Capacity Utilisation
for Quartz kitchen
sinks division

55+ Countries
Catered with Customer
Satisfaction and Brand Recall

400+
SKUs

1,500+
Dealers

80+
Galleries

82+
Distributors

The Extra Edge

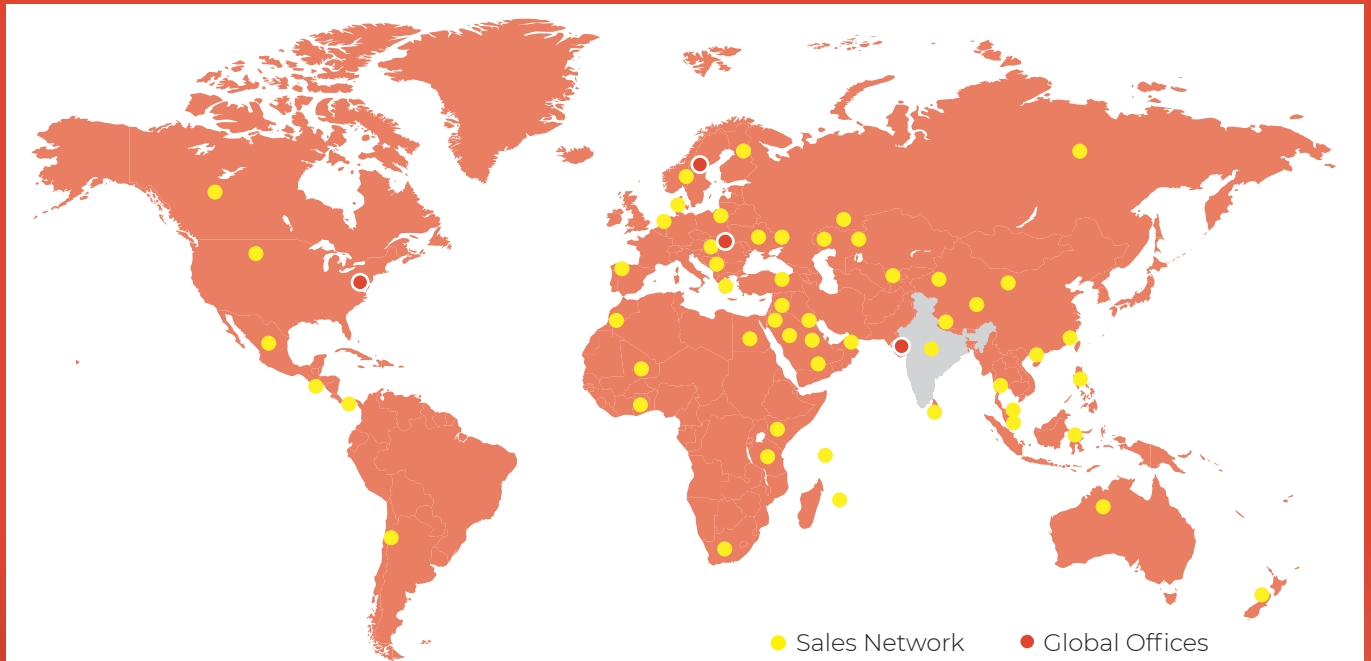
Only Manufacturer

of Quartz sinks In India & Asia with Schock Technology, Germany

Certification for

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018

Marking Presence Globally



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

Exporting to more than 55 Countries



Stepping Stones of our Journey



Chairman & Managing Director's Message



“ At Acrysil we are consistently taking initiatives to strengthen our global leadership position in Kitchen Sinks segment ”

Dear Shareholders,

The year 2020 was full of uncertainty, intensity and presented unprecedented challenges to public health and safety due to the novel Coronavirus (Covid-19) outbreak. The pandemic emerged as the biggest threat to mankind as well as the economic growth. The survival has taken precedence over growth. Our thoughts go out to those who have lost their loved one and also who suffered the worst economic impact of the pandemic. We salute our doctors, para-medical staff and all frontline workers who stood by tirelessly ensuring our safety and well-being. We also salute our scientists who developed vaccines in record time and we are confident that the widespread deployment of vaccines will lead to improved sentiments and progression in the country.

Dedicated to Deliver

Despite the disruption, I feel proud to say that our Company responded with aptness and resilience. I wish to applaud efforts of our employees who have shown great dedication and courage to work with full potential during this pandemic. Overall, our approach has been driven by twin objectives throughout this crisis period. Firstly, ensuring employee health and safety with service continuity for customers. Secondly, protecting our margins despite the lockdown and restrictions imposed. We have achieved an annual turnover of ₹ 310 Crore, EBITDA at ₹ 74 Crore and PAT at ₹ 39 Crore, registering a strong YoY growth of 12%, 44% and 72%, respectively. Moreover, I am extremely delighted to state that we have successfully surpassed our short term turnover target of ₹ 300 Crore. We are also getting closer to achieve our mid-term target of ₹ 500 Crore.

The multi-fold impact of Covid-19 prompted us to realign our strategies in order to overcome the sudden challenges and drive the business forward. Our team dedication and determination is

once again proven by delivering results beyond expectations. We are firmly focused on our vision to be the world's most innovative Kitchen Sink Company and sustain profitable growth. Our uncompromising commitment to fulfill the unmet consumer demand and our perseverance to deliver better each in every way continues to be the corner stone of our success over the years.

Change is Inevitable

The pandemic changed the way people live, shop, travel and socialise. A shift in consumption was noticed, where the disposable income from travel and leisure activities was diverted into home improvement activities with enhanced focus on health, hygiene and safety. This behavioural shift in consumer preferences is here to stay for a longer time. Globally people have accepted this new normal as an integral part of life and now it's 'ABSOLUTELY NORMAL'. Working from home, adopting sanitation, desire for products with aesthetics accompanied by health, hygiene and innovation is new way of life and not a temporary blip. In most markets, home construction and existing home sales have been on a rise. As per recent data close to 74 Million Americans have remodelled their homes in 2020 and close to 16 Million people are likely to purchase new homes. (Source:Comscore)

Acrysil stands to benefit from the increasing demand of home improvement products. Our innovative, differentiated, smart and sustainable products enhance the comfort as well as the elegance quotient. We foresee the demand to sustain and continue over the long-term, making us more confident in our ability to deliver growth consistently in the coming future.

Response Strategies

The founding stone of Acrysil rests on customer satisfaction. At Acrysil we continue to embrace cutting-edge technologies, drive innovations and foster collaborations to deliver new models

and variants that customers aspire to possess. During the year, we continued to focus on our core strength of innovation and expansion to offer value-added, high quality products to our customers across the globe.

We have been consistently expanding our production capacities in response to the spurt in demand. Over the past 18 months, we have increased our Quartz sink manufacturing capacity at Bhavnagar plant by 40% to 7,00,000 units annually. Besides, we further have ₹ 15 Crore capex on the anvil in further scaling up the capacities from 7,00,000 units to 8,40,000 units in the current FY 2022. Our state-of-the-art Physical Vapor Deposition (PVD plant) at Bhavnagar has also been commissioned with an annual capacity of 50,000 units. The plant will add significant value to our stainless sink offerings by proving colourful metallic finish and glamour.

We are strategically expanding our distribution base and offering extended touchpoints for customers to experience the luxury of our products. We are also focusing on increasing exports of our stainless steel sinks.

Tie-ups and Collaborations

We entered into a strategic partnership with IKEA Supply AG, Switzerland for manufacturing and supply of Quartz Kitchen Sinks to meet their global requirement. IKEA is recognised as one of the leading players in the home improvement products. This partnership is a testament of our commitment and global standards of our products. Our association with GROHE (leading German sanitary brand) in 2019 for supply of stainless steel kitchen sinks after successful association for Composite Quartz Sinks, is another example of customer satisfaction quality product delivered.

With 'Carysil' & 'Sternhagen' brand, your Company is confident towards a future of consistent success and value creation. For 'Carysil' we have received huge response through omni-channel sales. Besides, we have also established tie-ups with reputed retailers in the home improvement sector as well. Under the 'Sternhagen' brand, we have received a rousing reception for the SH series launched last year. We have also partnered with Sussanne Khan to launch a premium line of products.

Innovation – the DNA of our Growth

Innovation and R&D is the DNA of the Company. Technology married with creative ideation have resulted in innovative and smart products for the consumer. We have enhanced our manufacturing process by introducing touch panels in our casting unit which ensures excellent quality and reduces cycle time. We have redesigned our sinks to make them more waste collection efficient. We have also introduced plastic-free packaging, aligning to our philosophy to protect the environment and make the world a sustainable place for living. The innovative products launched last year right from the anti-bacterial sinks to the chimney's with motion sensors have witnessed huge demand in the market.

Recognition and Achievement

Our relentless commitment resulted in Acrysil being recognised by Forbes and features under the 'Best under a Billion 2020' list from the Asia Pacific region among the small and mid-sized corporates. Acrysil has qualified the stringent criteria like robust governance, geographic diversity and exceptional performance to achieve this stature. We also got listed in NSE bourses in the month of January 2021.

Atmanirbhar Acrysil

We have imbibed in our philosophy, the broader vision of the country to be self-reliant right from raw material procurement to delivery of final products. We are focusing on increasing in-house manufacturing of more kitchen appliances which are currently imported. We are also looking at sourcing raw materials indigenously to reduce external dependence.

Our People

We are a growing global Company recognised as a trusted brand known for providing innovative and niche products. This has only been possible by the dedication, determination and passion of all the individuals coming together to turn thoughts into ideas and ideas into reality. At Acrysil, our people work each day to offer customers different each time. Their capabilities and the penchant for R&D and innovation is something that gives us a solid edge in our space. We foster a culture where every like-minded individuals can thrive and reach their full potential.

Outlook

Our philosophy and values have created a resilient and fast-paced enterprise over the last three decades. Our world class array of products have a firm foothold both in Indian and in global markets. Our demand and influence in various geographies, through our distributor networks and cost-effective approaches, continues to be dominant. Going ahead we target to take our distributor network to 100+ and add 30+ new galleries and spread wings to 70+ countries.

Our forward journey will be largely characterised by faster response to the customers' evolving requirements across luxury, premium and economy categories.

Lastly, I would like to express my sincere gratitude to all the shareholders, customers, suppliers, distributors, , government and local authorities for their continued support. This gratitude also extends to our family of employees whose undaunted support and hard work enabled us to deal with challenges and emerge as leaders.

Stay Safe!

Yours Sincerely,

Chirag A. Parekh

Chairman and Managing Director

Bringing Comfort with Elegance

All these years, we have firmly believed in one thought, Comfort, when carried to an extreme, become elegance! Our simple belief is to make a product timeless, we must combine comfort and elegance in perfect proportion. We have closely observed the ever-changing aspirations, dynamic tastes and preferences of our customers. These observations, coupled with enhanced awareness for health and hygiene, help us align our product offerings with the changing market realities.

At Acrysil, we have always focused on being an innovation-driven and future-focused Company. We have striven to be an entity that creates and enriches compelling ideas while also transforming customers' quality of life.

Our products in the kitchen and bathroom segment have gained attention and traction for their appealing aesthetics blended with comfort and convenience. We have curated kitchen and bathroom products that have elevated from being just convenient or utility-driven to a stunning lifestyle statement.

Quartz Kitchen Sinks

Product appeal and diversity is the primary essence of this segment. Our attempt is to enhance our product aesthetics and utility consistently with the evolving customer needs. Quartz Kitchen Sinks contributed 76% of the total revenues in FY 2020-21.

USPs of Quartz Sink

- ▶ Durable
- ▶ Hygienic
- ▶ Eco-friendly
- ▶ Low-maintenance
- ▶ Versatile

4,13,176 UNITS

**Quartz Sink Sales
Volume in FY 2020-21**

1,500+

Touchpoints

120+

**Models Developed to Cater to Kitchen
Sinks Segment of the Market**

We expanded our quartz kitchen sink capacity through brownfield expansion by 20% (1,00,000 units) in the year under review as a response to the rising demand. The production for these 1,00,000 units commenced in February 2021. With this expansion, our overall manufacturing capacity of Quartz Kitchen Sink increased from 5,00,000 units to 600,000 units p.a.

Over the past 18 months, we have expanded our capacity from 5,00,000 to 7,00,000 units pa. We further proposed an additional capacity expansion of quartz kitchen sinks by 1,40,000 units. Thus, taking the overall capacity to 8,40,000 units p.a.



Stainless Steel Sinks

Our stainless steel sinks offer a perfect blend of modern technology and international standards. Our innovative and classic product ranges, including Quadro, Micro Radius Sinks and Square Sinks are eye-catching customers' attention. And as a result, we are now gaining traction in the international markets as well. During the last year, this segment contributed 14% to the Company's topline.

We have commissioned a state-of-the-art Physical Vapor Deposition (PVD plant) at our Bhavnagar plant through our subsidiary, Acrysil Steel Limited. The plant has a coating capacity of 50,000 sinks p.a. and will help us add significant value by adding metallic finish to stainless steel sinks. The new PVD plant will aid us in adding color and glamour to the entire range. We have introduced a range of rose gold, yellow gold and gunmetal finish so far. With this new plant, we are focusing on increasing our volumes in the export markets.

USPs of Steel Sink

- ▼ Durable
- ▼ Low-maintenance
- ▼ Affordable

68,852 UNITS

**Steel Sinks Sales
Volume in FY 2020-21**



Kitchen Appliances

Our products under the brand 'CARYSIL' are enriched and powered by technology, making them the need of the hour for every home. Through Acrysil USA INC, one of our subsidiaries, we aim to capture a larger pie of the industry. Our sophisticated and contemporary range of kitchen fittings and appliances like hoods, cook tops, dishwashers, wine chillers etc; have a strong consumer appeal and recall.

We are now focusing on aspirational products with new-age solutions backed by performance, innovation and technology. We have been strengthening this segment through various initiatives.

The key segment highlights include:

- ▶ Witnessed tremendous response in North America backed by the pandemic-driven online sales
- ▶ Entrenched distribution base to connect with customers to understand their requirements and reinventing our products to bring the best experience
- ▶ Capitalised on innovation and R&D strengths and witnessed good traction in motion sensor chimneys, dishwashers and wine chillers
- ▶ Served better and faster through effective service centers and multiple customer touchpoints

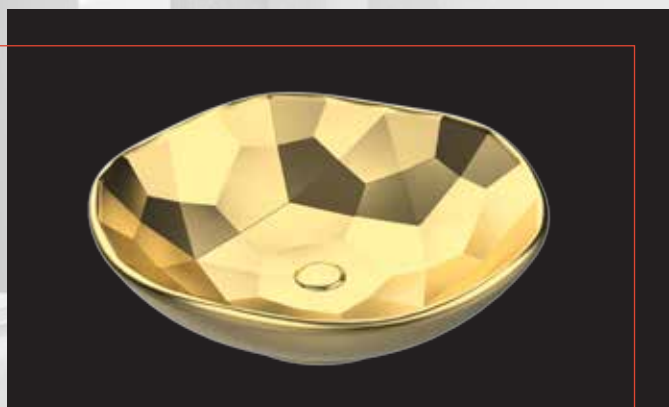


Bathroom Suites

Today, there is a paradigm shift in the concept of how bathroom products should be. There has been an immense transformation and the focus has gradually shifted from being just utility products to being a lifestyle statement. Our products under this category are the perfect amalgamation of the evolving consumer perception and futuristic technology. The stylish look and convenient features leave our customers spellbound pampering their mind and soul.

The key segment highlights include:

- ▶ Robust order book from the south India market
- ▶ Connecting with customers through our strong distribution network helps us to recreate products as per the need of the hour
- ▶ Multiple customer touchpoints
- ▶ Strong demand from Kristall, Opale, Marine, Starbust products and Shin.



Partnerships Paving the Way Forward



Partnerships are crucial for strengthening capabilities. We believe it takes the best of collaborations to create something bigger and bring in the synergy that drives future progress. We have always believed that fruitful partnerships generate opportunities and expand horizons of growth.



We understand the role of partnerships as the catalyst in leveraging market presence and delivering unique products. Acrysil has alliances in the US, UK, France, Germany etc that help the Company add meaning and value.

We have entered into strategic partnership with IKEA Supply AG, Switzerland, in August 2020 for manufacturing and supplying Quartz Kitchen Sinks. IKEA is one of the leading players in the segment and its expertise in distribution and supply of home improvement products does not need an introduction. We partnered IKEA to meet their global requirement of sinks. We commenced the supply of quartz sinks in the month of March 2021.

This partnership is a perfect testament to our commitment of offering global standards of our products.

All the capacity expansions taken up by the Company will help us cater to the demand in both the international and domestic markets.

Our association with GROHE (leading German sanitary brand) in 2019 further strengthened last year. We entered a tie-up with them for supply of stainless steel kitchen sinks.



Advancing Ahead

Acrysil Products Limited, UK

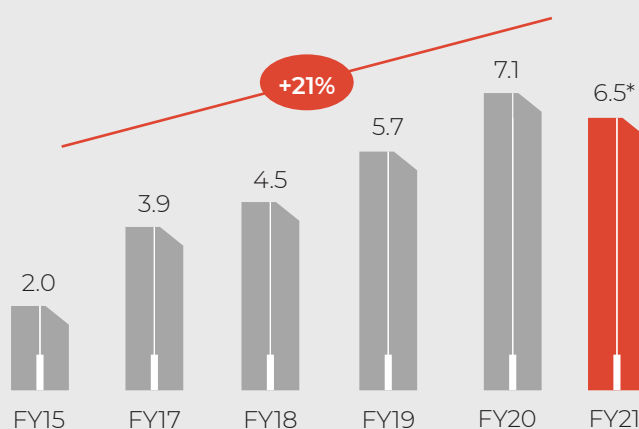
Acrysil holds 100% in 'Homestyle Products Limited' through 'Acrysil UK Limited'. The Company was recently rechristened from Homestyle Products Limited to Acrysil Products Limited. It provides a range of products in quartz sinks, steel sinks, faucets and accessories, and other traded products. Additionally, it also provides solutions to its clients. During the year under review, the Company reported topline of 6.5 Million GBP. Revenues were marginally hit due to the impact of the pandemic. However, despite the challenges, we managed same topline in quartz sinks segment of ₹ 31.2 Crore.

Outlook

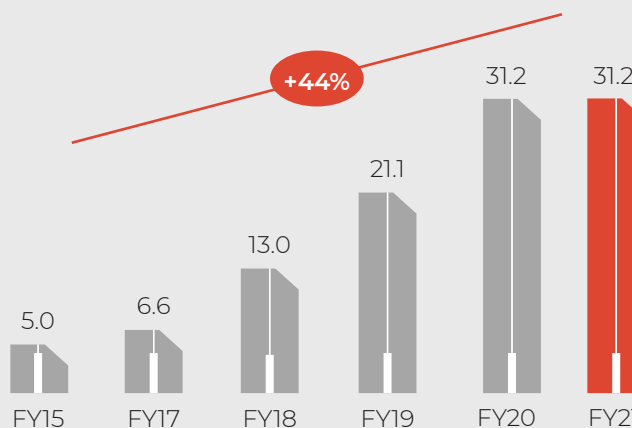
Demand for Quartz Sinks is continuously increasing in the UK. Customers are more inclined to natural stone based products as compared to other products. The pandemic has created focus on renovation / hygiene of kitchen and hence quartz sink fits well with the aspiration of customers in terms of look, feel and hygiene. Acrysil Products Limited is expecting sustainable double-digit growth in the UK market.

REVENUES

(Mn. GBP)



REVENUES FROM QUARTZ SINKS BUSINESS (₹ in Crs)

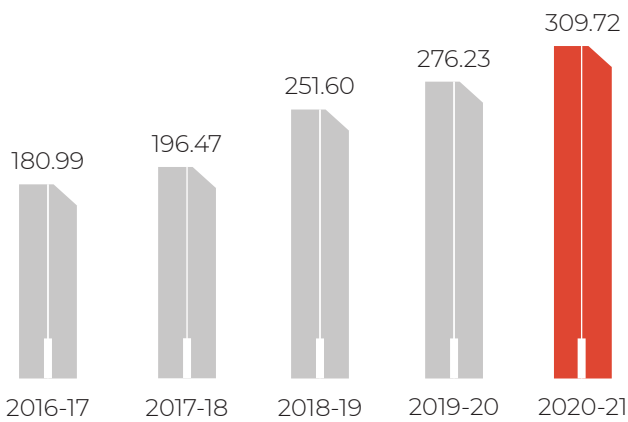


*Revenues were impacted on account of Lockdown imposed by UK Government due to COVID-19 in Q1 FY21

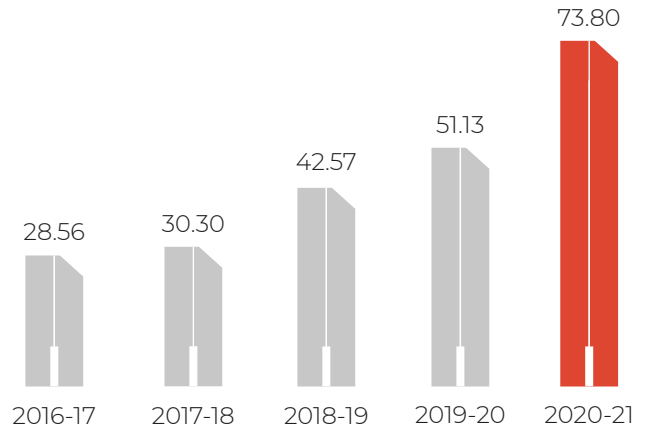
Progressive Numbers

(Consolidated)

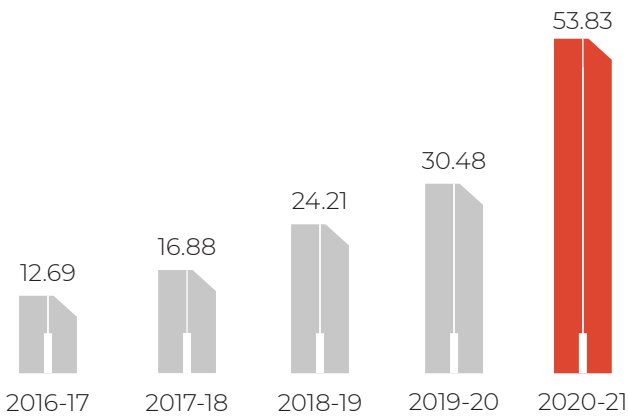
REVENUE FROM OPERATIONS (₹ in Crore)



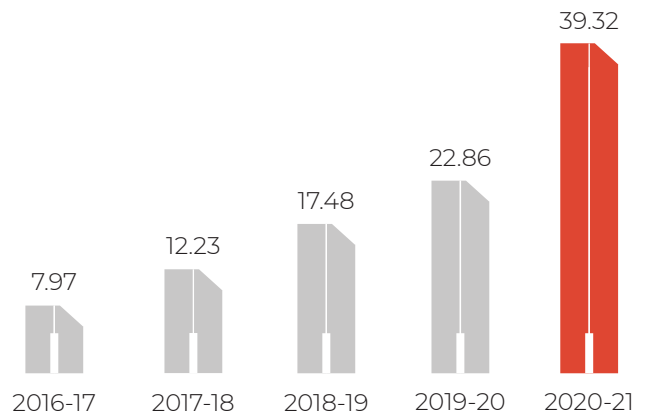
EBITDA (₹ in Crore)



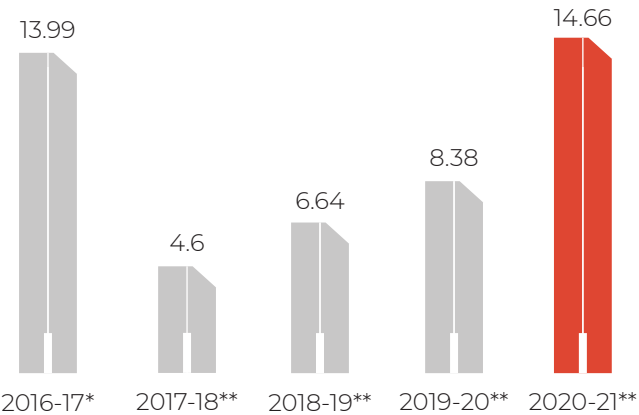
PBT (₹ in Crore)



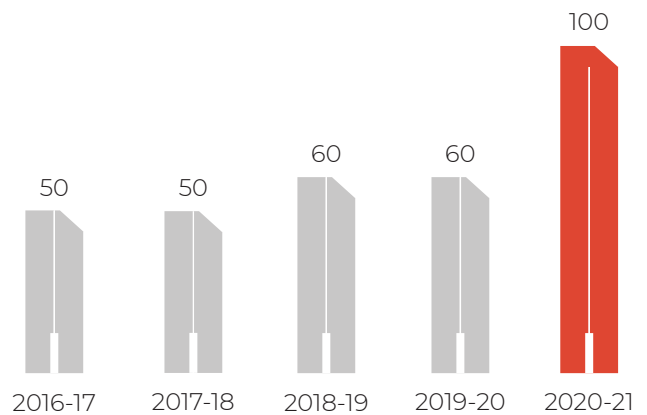
PAT (₹ in Crore)



EARNINGS PER SHARE (EPS) (in ₹)



DIVIDEND HISTORY (in %)



* Face value of ₹ 10/- per Share | ** Face value of ₹ 2/- per Share

Five Year Financial Highlights

(Consolidated)

OPERATING RESULTS

(₹ In Crore)

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
Total Revenue	317.72	280.96	253.73	201.08	183.53
Revenue from operations	309.72	276.23	251.60	196.47	180.99
EBITDA	73.80	51.13	42.57	30.30	28.56
EBIT	61.13	39.20	33.94	23.15	22.89
PBT	53.83	30.48	24.21	16.88	12.69
Tax Expenses	14.52	7.62	6.72	4.65	4.71
Profit after Tax	39.32	22.86	17.48	12.23	7.97
Minority int.	0.19	0.79	0.23	0.28	0.71
Profit after tax	39.12	22.07	17.25	11.95	7.26
Dividend	5.33	3.11	3.11	2.59	2.59
Total Dividend per Share	2.00**	1.20**	1.20**	5.00*	5.00*
Dividend History %	100	60	60	50	50

FINANCIAL POSITION

(₹ In Crore)

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
Equity share capital	5.34	5.34	5.19	5.19	5.19
Other Equity	186.07	152.47	127.65	113.11	106.53
Long term borrowings	21.71	21.21	16.57	18.62	20.02
Capital employed	224.93	184.40	155.95	140.95	135.25
Market Capitalisation	821.94	149.36	287.73	269.31	282.02
Gross Block	210.76	171.91	155.04	138.23	118.62
Net Block	128.00	100.92	95.97	87.84	75.17
Net Current Assets	54.63	45.63	29.26	23.47	30.99

RETURNS

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
On Sales (EBITDA)%	23.83	18.51	16.92	15.42	15.78
On Capital Employed (EBIT)%	27.18	21.25	21.76	16.42	16.92
On Shareholders Fund (PAT)%	20.54	14.49	13.16	10.34	7.13
Earnings per share (In ₹)	14.66	8.38	6.64	4.60	13.99
Book Value per Share (In ₹)	71.71**	59.12**	51.20**	227.98*	178.01*

* Face value of ₹ 10/- per Share | ** Face value of ₹ 2/- per Share

Value Creation Model



* As on June 2021

Value drivers

- ▼ To go beyond customer satisfaction by manufacturing high-quality products and providing excellent service
- ▼ To keep up with the latest trends in technology
- ▼ To enhance brand awareness by increasing market influence

To be the leading player in Kitchen and Bath segment.

- ▼ Creativity
- ▼ Passion
- ▼ Precision
- ▼ Diversity



Outcomes

₹ **39.32 Crore** Profit after Tax
20.7% Return on Capital Employed
20.2% Return on Equity

90% Capacity utilisation levels
55+ countries – our export market
4,13,176 units of Quartz Sinks Sales volume in FY 2020-21

Employees form the backbone of our Company. Their skills, experience and knowledge heighten our value proposition

Only Company in Asia to produce Quartz Sinks with Schöck technology of Germany

CSR Activity

- ▼ **66** Persons were benefitted from the ICU Ambulance
- ▼ **546** poor & needy families were provided food kits to the people in Navagam at Bhavnagar
- ▼ ₹ **5 Lakhs** donated to CM Relief Fund

- ▼ Adopting waste control measures
- ▼ Innovating energy conservation methods
- ▼ Tree plantation programmes

Strengthening the Brand

A brand is a story that speaks volumes about its commitments and promises. It is the right way of aligning business goals to that of its stakeholders. It is crucial to thrive and grow beyond purpose and profit and offer the unusual and unexpected to strengthen a brand.

At Acrysil, we believe in embracing new ideas, going beyond the conventions and setting new trends each time. We realise that to stand out in a crowd, we must first prepare ourselves to be extraordinary. Our excellent R&D skills and power to innovate backs us up on this track tremendously. Our wide distribution network, marketing capabilities and established relationship with our dealers and customers have helped us establish a strong brand recall. This, in turn, has played a key role behind our consistent growth. Our objective is to curate products that reflect the aspirations of the end-user. To this end, we are leaving no stone unturned to make '**Carysil**' the go-to brand and a name that the world recognises with.

We attribute the success of our brands to keeping our strategies completely customer-centric. Our sole purpose and focus remains on continuously enriching the customers' lives through smart, sustainable and ever-evolving products. The expansion of our product portfolio is proof of the consumer trust we enjoy and the appeal our products have.

To simulate the ever-changing customer preferences, we are constantly on our toes to introduce products that differ and products that matter. We are always looking to increase our sales avenues, co-partner influencers, and introduce sophisticated and exceptional products that make a difference.

Multiple customer touchpoints

Our go-to-market approach has helped us create a wide network and numerous consumer touchpoints. We understand that feeling is believing and hence we have 80+ galleries for customers to feel the aesthetics and experience our products. For our brand '**Carysil**', we have a combination of product galleries and exclusive galleries to 80+. We soon plan to take this total number to 100 and also have a focused approach to penetrate in tier II and tier III cities.

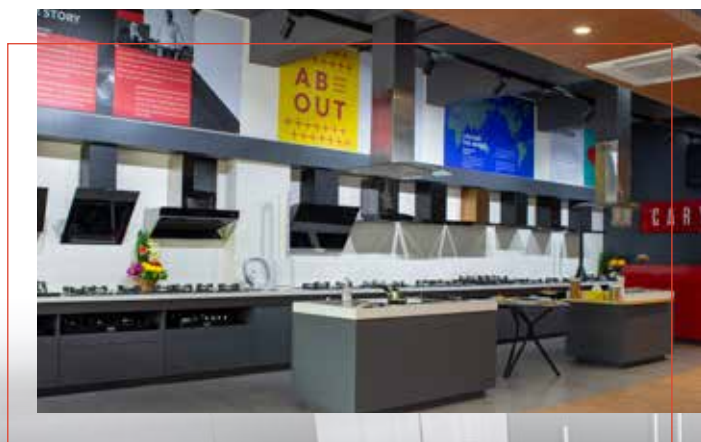


Upgrading dealer network

We are undertaking broader activities of brand building and expanding our showrooms' size as well. Our concentration is on upgrading our dealer network from C to B and from B to A. This simply means that the C category of a dealer is more of a prototype display where one or couple of sinks can be displayed. The B category, on the other hand, has about at least 10 models of sinks in both granite and steel and have few built-in appliances as well. And category A, which is approximately 500 to 1,000 sq. ft. of a display showroom, is a standalone showroom categorized as a franchisee model. So we are aiming at quality branding, display branding awareness in domestic markets.

Initiatives for brand 'Carysil' and 'Sternhagen'

We are constantly striving to bring an array of innovative and modern products offering the most premium and delightful experience to the customers. Under the current pandemic situation, the home has expanded beyond a place to stay. It has now turned into an office, gym, school, temple, entertainment zone, all in one place. We feel fortunate to help people reinvent their key areas of the home like the kitchen where substantial time is spent, and the bathroom where one unwinds.



Sternhagen

We are adding a lot of new Quartz models for basins for bathrooms under the '**Sternhagen**' brand. We have roped in celebrity Sussanne Khan to partner with us in launching a new premium category line.

Our branding initiatives have always been constant under any given condition. Earlier, we launched our new Rose Gold collection of premium sanitaryware and bathroom fittings at Mumbai and Bengaluru showrooms, in the presence of celebrity interior designer Sussanne Khan. The event was a huge success. We had also launched a more economical and futuristic SH series, and along with it, we also introduced ceramic showers, adding to our product portfolio.

Additionally, Acrysil's partnership with Farah Ali Khan is expected imprint a distinctive sense of beauty and style. It will help make '**Sternhagen**' the most favored brand in the luxury bathroom suites segment. In Indian markets, we are focusing on the Eastern and Western regions.

Going ahead, we plan to significantly expand our retail footprint. Our strategy is to bring the luxury to the right customers at the right time through our franchise stores.

STERNHAGEN[®]

LUXURY BATHSUITES



Carysil

The stay at home protocols have pushed the demand and desires to have better-designed homes. Our range of kitchen products add color and convenience to the customer's home. We have witnessed a strong response through online sales for our kitchen portfolio. Our established tie-ups with reputed retailers in the home improvement sector will further strengthen our identity and stature as a brand.

We are getting a rousing response for our Quartz Antibacterial Sinks and Stainless Steel integrated worktops. Our new chimney with motion sensor, oil collector and auto-cleaning has also witnessed traction. We have also set up Special Purpose Machines (SPM) to ensure seamless installation of countertops, boosting the market overseas. Each and every strategy and action taken at Acrysil reflects our dedication and determination to offer the best, keeping the zest of the customers in mind.

Enhancing brands through multiple channels

In a digital-first economy, we are leveraging both, the conventional and digital platform. Through organized retail touchpoints, we ensure to give the customer the experience of luxury. Apart from these, our galleries provide a unique experience. Through the Online platform, we ensure to extend our reach beyond physical presence.

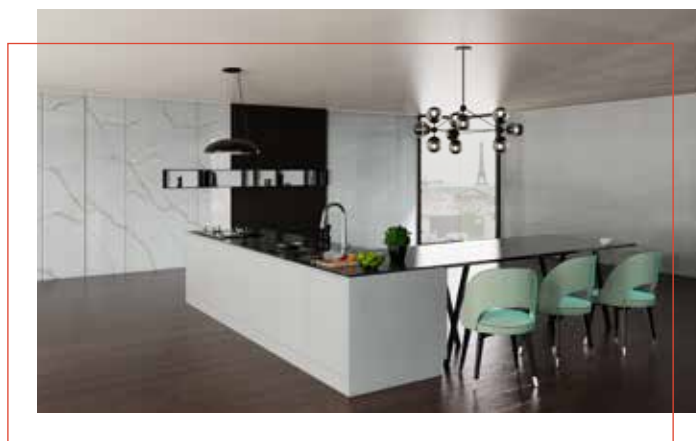
Sponsoring event

We are also promoting brands on TV and in print media, along with this we also had an exposure through sponsorship of events like Times Food and MasterChef Australia.

There has been a paradigm shift in the mindset of customers through process and aspirations. The day-to-day products have shifted from being need-based to status quo and lifestyle statement today.



Kitchen Sinks &
Built-in Kitchen Appliances



Spreading Wings

The willingness to grow requires the endurance of undergoing the process of expansion and the knowledge of understanding which direction to expand in. The excellence of our products and the trust they enjoy from the growing customer base raises our confidence to expand our horizons. We look at expansion as a shared interest wherein it's a win-win for both of us, as a company and all our stakeholders. And so, we continuously focus on channelising our energies in reaching out to new markets. We concentrate on penetrating the existing markets by utilising the market potential and strengthening our industry position both in Indian and International markets.

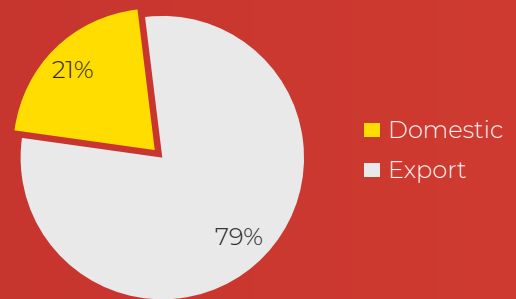
When it comes to exports, we are focusing on penetrating further towards the North American and European markets. We incorporated a wholly owned subsidiary, 'Acrysil USA Inc', to widen our reach and establish a stronger network while capitalising on our opportunities in North America. Through this subsidiary, we will deal in kitchen, bathroom and tile products. These developments speak volumes of our readiness and willingness to expand in the American and European markets. We endeavour to grow globally and be known as a valuable brand that invokes trust and confidence in customers.



The excellence of our products and the trust they enjoy from the growing customers base raises our confidence to expand our horizons.

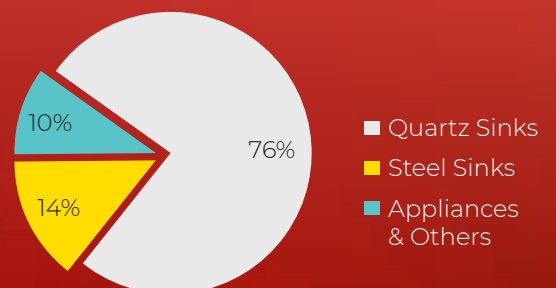


Geography-wise Revenue



FY2021

Product-wise Revenue



FY2021

Presence in the domestic markets

Acrysil is among the most sought-after brand in the domestic market. The Company is focusing on penetrating further into existing markets and entering new markets.

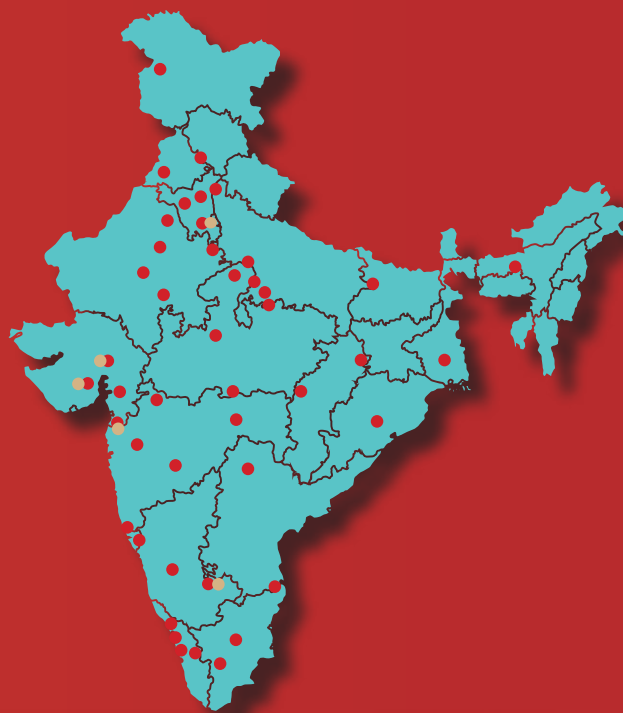
We are taking several initiatives right from creating brand awareness to strengthening distribution channels and customer touchpoints across India. There is a rising demand for modular kitchens as customer aspiration.

We consistently work on introducing new products, merchandising and marketing campaigns. We are expanding our reach through participation in national and international trade shows via exclusive dealer conventions.

Our focus is on translating our core purpose into strategies that help enhance and enrich the quality of life and increase stakeholder value. Currently, we are catering to 55+ countries and plan to take the number to 70+ over the next three years. We aspire to continue on this path of growth through our inspiring legacy and passion. Through these concerted efforts, we aspire to meet customer aspirations and expand our horizons, each day.

Enhancing our presence in the domestic markets

- ▼ J&K,
- ▼ Meghalaya
- ▼ Jamshedpur
- ▼ Kerala
- ▼ Leh-Ladakh
- ▼ Puducherry
- ▼ Arunachal Pradesh



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

Progressing through Innovation and R&D

Innovation is the heart of a Company, it distinguishes between a leader and a follower. In today's times, when the customers' needs are ever-evolving, what makes a brand stand out is its ability to blend utility with uniqueness. This ability is the key ingredient required for progress.

At Acrysil, our business is underpinned by our ability to think different and unleash untapped opportunities. Our technical prowess within the current product line allows us to launch new variance. Thus, enabling us to meet the customers' expectations consistently. Creativity forms our core and in-depth research in every step of the product designing is something we specialize in.

We have been able to cater to the diverse range of customers through our ability of reinvention. Generating products which are the need of the hour. Our designers work tirelessly to deliver products that are class apart. We also have equal focus on cost reduction, reduction in wastage and enhancing productivity and profitability.

For us at Acrysil, innovation is not a business proposition, it is our way ahead. The gamut of products we offer is rightly powered by cutting-edge technology and thorough R&D, giving us an edge in the market.

Major R&D breakthroughs and innovations

Introduction of touch panel ¹

We introduced touch panels in the manufacturing process to control appropriate temperature and manual error. All the settings of the process are predetermined to ensure no manual intervention during the process, stringent quality control.

Redefining design ²

We modified the design of sink waste by introducing milling operation, with an automated process, it would also result in accuracy and no rejection.

Dust collecting system ³

We installed dust collecting system, and now made the dust penetration negligible. Thus, benefiting both the product and the environment while also saving time.

Plastic-free packaging ⁴

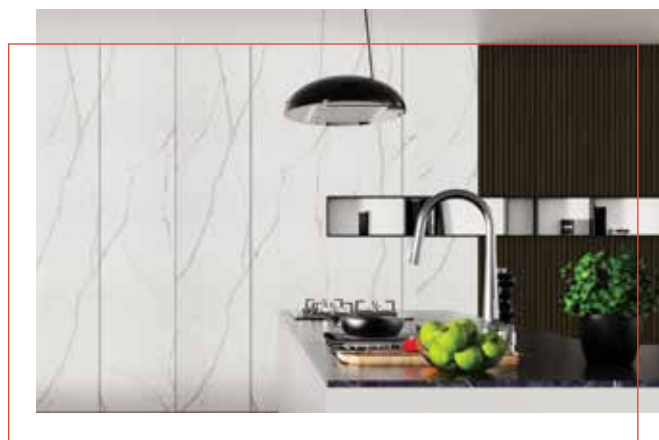
During the year, we developed 100% plastic-free packaging for our products and different sizes. Our packaging specifications adhere to the guidelines of the International Safe Transit Association (ISTA), USA and represent our customers in packaging compatible with ISTA 1, ISTA 2A, ISTA 3A and ISTA 6, in accordance with the product's design.



Sani-Q

We have pioneered in the technology of composite quartz moulding of 90 degree Apron Sink. The 'Sternhagen' brand has also secured a patent 'Sani-Q'. It is high-tech patented quartz material that will take the architecture of the bathroom to a next level.

It is believed what people say about your brand is how they perceive it to be. Our innovative products and marketing initiatives significantly drive our brand recall. We continue to timely refresh our initiatives, keeping them in line with the evolving market trends. Our success as an industry leader depends heavily on the timely and continual launch of trend-defining innovative products. Our ability to combine technology and our services adds a new dimension to our offerings, opening up newer avenues for us. We believe in promptly capitalising on such opportunities to keep moving up the growth curve.



Our Commitment to Human Resources

A vision without people never sees the light of the day. Human resource is the most valuable asset for any business. It plays a crucial and decisive role in determining the success of any strategy, plan or programme.

For us, at Acrysil, people form the core of everything we do. Our vision of being a sustainable Company is only driven by our people's experience, expertise, and passion. They facilitate deeper customer understanding and engaging relationships and help amplify our brand commitment through consistent delivery on promises. We believe in empowering our people and continuing to invest in our value-based growth strategy and human resources development. To promote productivity, we consciously provide training at regular intervals that help our people upskill and become their best. We provide a collaborative platform where employees can learn, grow, engage and share ideas. Our aim is to foster a team of right people with right capabilities to seize right opportunities.

Key activities in FY 2020-21

The key segment highlights include:

- ▶ In order to nurture the skills and enhance productivity we are training our people on 5S and Kaizen principles
- ▶ Introduced the concept of Happy Hours - a regular motivational session for employees to keep their spirits high during the tough external conditions
- ▶ Employee Welfare Policy to provide financial, medical, educational and moral support to the employees, workers of the Company.

Our Core team

Indian Team



Anand Sharma
Chief Financial
Officer



Neha Poddar
Company Secretary



Manish Thakkar
Sr. GM. Operations



Mitesh Chauhan
GM Exports



Amithaabh Upadhyay
VP (Sales & Marketing),
North, Central and
Eastern Market, India



Jairaj Nair
VP (Sales & Marketing),
South and Western
Market, India



Pradeep Trivedi
HR - Head



Sayali Raorane
Corporate HR
Manager



Ankita Sharma
Head - R & D



Sanjay Biswas
Manager - Product
Development

International Team



Marcus Smyth
MD - UK Operations



Louise Carpenter
National Account
Manager - UK



Merle Wigger
Business Development
Sales Head - Germany



Charlie Chu
Sales Operations - China

A Higher Sense of Purpose and Engagement

We are compassionately and actively involved in the well-being and advancement of our community – a tenet deeply ingrained in the culture of Acrysil.

Our CSR initiatives act as a catalyst in our commitment to enhancing value for our entire stakeholder fraternity. Even amid a challenging last year, we continued to extend our support to the communities. Our top priority was to ensure the well being of the ecosystem, employees, partners and customers. Our focus was on extending support where it was most needed and we are humbled to have reached out to a good number of people during the hour of need.

“

Giving back to the community creates a virtuous cycle of good which can make a big difference. One of the most natural ways of giving back to the community we live within is caring for it.

”

₹ **5,00,000**

Contributed to the
CM Relief Fund

Oxygen Concentrator Machine

In the current pandemic where healthcare infrastructures have utilised all their resources to save lives, we donated 10 oxygen concentrators to the Sir T. Hospital Bhavnagar. The donated machines could generate 10 litres of oxygen in an hour and thus helped save several lives.



Ambulance

We also contributed to relief measures by donating an ICU ambulance to the Indian Red Cross Society, Bhavnagar. This ambulance is fully equipped and fitted with the latest technologies.



Safety First

Our frontline warriors have put up the bravest fight during this pandemic. Keeping their safety of the frontline staff in mind, we donated a lump sum amount to the Bhavnagar Medical Association for purchasing PPE kits.



Essentials

Last year was unprecedented in more ways than one. It saw numerous people losing their jobs and even more people distressed due to hunger. We did our bit towards in this crisis by distributing foodgrain kits to the hungry and needy.



Board of Directors



Mr. Chirag A. Parekh

Chairman and Managing Director

- ▼ He graduated from European University.
- ▼ After joining the company in 1993, he successfully steered it to become one of the leading brands and increasing the turnover from ₹ 3.5 Crore in 1993 to ₹ 310 Crore in 2021.
- ▼ He heads the Company as the Managing Director since 2008.



Dr. Sonal V. Ambani

Independent Director

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



Mr. Jagdish R. Naik

Independent Director

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



Mr. Ajit R. Sanghvi

Independent Director

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



Mr. Rustam N. Mulla

Independent Director

- ▶ An LLB graduate, he has been involved in a wide spectrum of legal practice over the last 20 years.
- ▶ He is a Founding Partner at M/s Desai Desai Carrimjee & Mulla (DDCM)- Advocates & Solicitors, Mumbai.
- ▶ His core areas of practice: Corporate Law, Property & Realty Laws, Dispute Resolution, arbitration and commercial Litigation.



Mr. Pradeep H. Gohil

Independent Director

- ▶ A highly qualified professional, has been associated with various organisations.
- ▶ He is also associated with the Rotary Club, Bhavnagar.
- ▶ He has experience in the field of chemical engineering for more than 3 decades.

Corporate Info

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

Mr. Chirag A. Parekh

INDEPENDENT DIRECTORS

Dr. Sonal V. Ambani

Mr. Jagdish R. Naik

Mr. Ajit R. Sanghvi

Mr. Pradeep H. Gohil

Mr. Rustam N. Mulla

CHIEF FINANCIAL OFFICER

Mr. Anand H. Sharma

COMPANY SECRETARY

Mrs. Neha A. Poddar

AUDITORS

P A R K & Company

Chartered Accountants, Bhavnagar

AUDIT COMMITTEE

Mr. Jagdish R. Naik, Chairman

Mr. Chirag A. Parekh, Member

Dr. Sonal V. Ambani, Member

Mr. Ajit R. Sanghvi, Member

Mr. Pradeep H. Gohil, Member

Mr. Rustam N. Mulla

NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradeep H. Gohil, Chairman

Dr. Sonal V. Ambani, Member

Mr. Jagdish R. Naik, Member

Mr. Ajit R. Sanghvi, Member

Mr. Rustam N. Mulla

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Ajit R. Sanghvi, Chairman

Mr. Chirag A. Parekh, Member

Dr. Sonal V. Ambani, Member

Mr. Jagdish R. Naik, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Chirag A. Parekh, Chairman

Dr. Sonal V. Ambani, Member

Mr. Pradeep H. Gohil, Member

REGISTERED OFFICE

B-307, Citi Point, J.B. Nagar,

Andheri - Kurla Road, Andheri (East)

Mumbai - 400 059 (India)

Phone: +91-22-4015 7817 / 18 / 19

CIN: L26914MH1987PLC042283

Website: www.acrysilcorporateinfo.com,

www.carysil.com

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis Apartments, Marol Maroshi Road,

Andheri East, Mumbai - 400 059 (India)

Phone: +91-22-6263 8200 / 6263 8222/ 6263 8223

Fax: +91-22-2847 5207

E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

INVESTOR CONTACT

Mrs. Neha A. Poddar

Company Secretary and Compliance Officer

C/o. Acrysil Limited, B-307, Citi Point, J.B. Nagar,

Andheri - Kurla Road, Andheri (East),

Mumbai - 400 059 (India)

Phone: +91-22-4015 7817 / 18 / 19

E-mail: cs.al@acrysil.com

BANKERS

HDFC Bank Limited

Kotak Mahindra Bank Limited

Citibank N.A.

WORKS

Survey No.312, Bhavnagar-Rajkot Highway,

Navagam, Post: Vartej,

Bhavnagar - 364 060, Gujarat (India)

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

Fax: +91-278-2540 558.

Management Discussion and Analysis

The pandemic left an unforgivable mark on personal and professional lives around the world. Despite some optimism shaping up with global vaccination efforts, the overall impact of the pandemic in the longer haul would only be known as we progress ahead.

“According to OECD Economic Outlook in June-2021, the prospects for the world economy have brightened, but the recovery is likely to remain uneven. Public health strategies, the speed of vaccine rollout, fiscal and monetary support, and the importance of hard-hit sectors, are driving the differences between countries.”

Global Economy

The International Monetary Fund (IMF), in its April 2021 World Economic Outlook, projects a stronger global recovery in 2021 and 2022, compared to its previous forecast, with growth projected to be 6% in 2021 and 4.4% in 2022. However, the report also highlights the daunting challenges that hinder a much-needed revival both across and within countries and the imminent risk of persistent economic damage from any future crisis, aggravated by the heightened socio-economic gap and constricted spending.

According to the Congressional Budget Office (CBO), the US GDP is expected to grow 3.7% in 2021 after a degrowth of 2.5% in 2020. The unemployment rate is likely to decline through 2026 gradually, and the pre-pandemic tally is expected by 2024.

As fiscal policymakers realise an increased need for the Government's assistance while interest rates remain low, one of the COVID-19 pandemic's consequences could be a generational shift toward higher government spending.

The shock of the COVID pandemic has prompted governments to increase spending to untested levels, with over USD 10 trillion allocated globally. Much of this effort has been financed by additional borrowing, adding to the already large debt piles that governments had accumulated before the pandemic began.

While advanced economies are expected to benefit from quicker access to vaccines and strong fiscal support, Asia-Pacific countries like China and Australia implemented effective containment measures and will continue to recover as they vaccinate.

Emerging economies face the most challenges coping with COVID-19 outbreaks because of lower resource capacity and slower vaccine rollouts.

As long as a large proportion of the world's population is not vaccinated and the risk of new outbreaks remains, recovery will remain vulnerable to fresh setbacks.

However, since global interest rates have declined, the cost of servicing that debt has remained low, suggesting that some of the additional spendings will persist until the pandemic's crisis period has passed.

Indian Economy

India performed comparably well in FY 2021, both in terms of healthcare as well as finances.

Despite the challenges, India is expected to experience one of Asia's fastest economic recoveries.

India's GDP increased by 0.4% in the December quarter, after recovering from the pandemic-induced recession, and these trends continued well up to the

last quarter of the financial year, ended on March 31, 2021. However, with the second wave plaguing the nation shortly after, the momentum derailed.

High-frequency indicators such as GST collections, automotive and tractor sales, rail freight traffic, electricity demand, the Purchasing Managers' Index (PMI), and corporate revenues reflect the growth prevalent up till Q4. Manufacturing activity also returned to pre-COVID levels as mobility restrictions were eased from Q2. However, services, particularly those with a high contact susceptibility, continued to lag. In the years 2021-22, India's GDP growth was predicted to rebound to 10.5%, which may or may not have been affected by the second wave, as we'll gain clarity soon. However, to boost growth even further, the current economic policies have started growth-propagating changes.

Meanwhile, as vaccine availability and deployment improve, service growth is likely to pick up in 2022 (particularly contact intensive services). Agriculture's growth prospects are dependent on the monsoon season, and if the monsoons are normal, the sector is predicted to grow at a rate similar to that of the previous financial year (3% year-on-year).

Together with the 6.8% fiscal deficit target for 2021-22, the large-scale privatisation initiative could pave the way for additional healthcare and capital expenditure, which will be critical in improving the focus on long-term economic growth. These activities may also help develop new job opportunities, which is currently undergoing a COVID-infested lag.

To help the economy rebound in the coming fiscal year, the Indian Government has implemented a raft of changes, including labour reforms, stabilising the repo rate - unchanged at 4%, while remaining accommodative to mitigate the COVID-19 impact. Normal monsoons and success in averting a full-fledged second wave of COVID are all significant elements that will fuel this bounce.

Industry Overview

Kitchens are the most carefully crafted zones in homes around the globe, irrespective of the scale and splendour of the construction. After all, a well-maintained kitchen is key to maintaining the occupants' health and appetite, both.

Safety, hygiene, and sanitation are the key virtues of any kitchen, and kitchen sinks have a huge part to play in that. As per research, on an average, 60% of the time in a kitchen is spent on the sink, washing, cutting, and preparing food, in general.

The global market for kitchen sinks was valued at USD 3.1 Billion in 2020 and is estimated to witness a CAGR of 4% over 2021-2030.



Industry Dynamics*

80-90 MILLION UNITS

The global market for kitchen sinks

~5 MILLION UNITS

of Quartz Sink are manufactured using Schock Technology

09 MILLION UNITS

Demand for Non-Stainless Steel

25% CAGR

of Quartz sinks globally

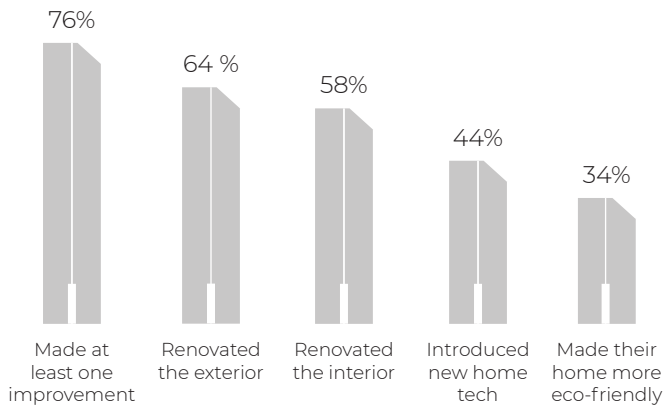
*Source: Equirus

Factors Paving Way for the Industry

Rising consumer aspirations

Europe holds the largest market share in the global kitchen sink market, followed by North America. These geographies have higher sedentary lifestyles, thus promoting an increased expenditure on lavish and elegant looks for kitchens. The population desires comfort and convenience-oriented products, and a balanced amalgamation of technology and aesthetics. The stay-at-home quotient induced by the pandemic has grown the demand for home improvement products.

Home improvement trends during the coronavirus outbreak in the United States in 2020



Increase in spending on home improvement products

With people spending more hours indoors due to the pandemic, there has been a surge in home renovation projects. The home improvement market is estimated to have surpassed USD 763 Billion in 2020 and is poised to grow by 4.3% over 2021-2027 globally.

From the past home templates towards more energy-efficient and luxurious living spaces, a global shift in preferences is driving the growth in this niche. There has been an increasing adoption of smart kitchens in home renovation due to escalating demand for easy add-ons such as self-regulating dispensers, motion-sensing water faucets, and one-touch feature of chillers.

Global Market Insights

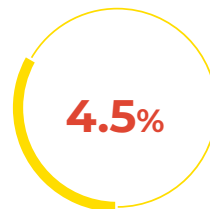
>USD 762.9 BILLION
Global market value (2020)

4.3%
CAGR (2021-27)

>USD 1,009.9 BILLION
Global market value (2027)

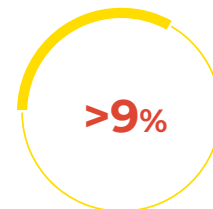
Home Improvement Market

CAGR (2021-27)



DIY home improvement

Market Share



Bath improvement & additions (2020)



DIFM segment (2027)

53.3%
NA market value (2027)



Source: <https://www.gminsights.com/industry-analysis/home-improvement-market>

Surge in E-commerce post pandemic

The pandemic has catalysed e-commerce penetration by syphoning an exponential online adaptation rate and shift in consumer behaviour around the world. As millions of people stayed home, digital platforms became the sole medium for transactions and consumer management.

Internet of Things (IoT)

IoT is a cloud-based tech connecting home appliances to users without a location or time constraint. The consumer can receive data or automate tasks on their appliance with the help of IoT. Already being used in smart homes built for the future, IoT has gained quite a fanbase in the Kitchen Sink category. IoT-enabled kitchen sinks, or smart kitchen sinks, offer smartphone connectivity and control through apps. Consumers can enjoy the effortless integration of small dishwashers and voice control faucets into Kitchen Sinks, which saves time, energy, and complaints, truly delivering a future-ready experience zone.

Rise in disposable income

India is likely to add around 140 Million households under the high-middle income group by 2030. This will take the combined share of middle and high-income groups to 50% of the total population, thereby reflecting a higher discretionary income for the country as a whole.

Continued urbansiation

Currently, around 35% of India's population resides in urban areas, moreover, the vast majority that is rural-based is continually adapting an urban approach to home decor. This will directly influence the country's demand for aesthetic products.

Growth of real estate industry

Increased activity in the construction space and a higher demand for residential units would further the demand for consumer products.

Kitchen Appliances

The global smart kitchen appliances market was valued at USD 11.76 Billion in 2020 and is anticipated to expand at a CAGR of 19.1% by 2026. The growing preference for modular kitchens will lead to higher sales in the smart kitchen appliances category, especially backed by affluent households aspiring to create a smarter home.



Higher disposable incomes, willingness to spend and modern technological trends such as IoT and Artificial Intelligence (AI) enabled devices would be the leverage.

These high-tech solutions are anticipated to promote efficiency, convenience, and security, which can further boost a paradigm shift from conventional appliances to more sustainable and smarter gadgets.

Furthermore, with Governments and citizens creating an eco-friendly planet for our generations ahead, there will be a heightened emphasis on environment-conscious tech.

Another vital factor that shall contribute here is a constant rise in nuclear households.

Trends suggest that nuclear families are more likely to spend on consumer durables, given their higher per-capita savings.

With this economic transformation already underway, consumer durable products, such as water purifiers, hobs, and chimneys, now find more takers than ever before.

<https://www.globenewswire.com/newsrelease/2021/06/15/2247182/0/en/Demand-and-Trends-of-Smart-Kitchen-Appliances-Market-Size-Will-Grow-to-USD-33-55-Billion-by-2026-Globally-Facts-Factors.html>

<https://www.persiscencemarketresearch.com/market-research/kitchen-sinks-market.asp>

<https://www.grandviewresearch.com/industry-analysis/smart-kitchen-appliances-market>

Operational Highlights

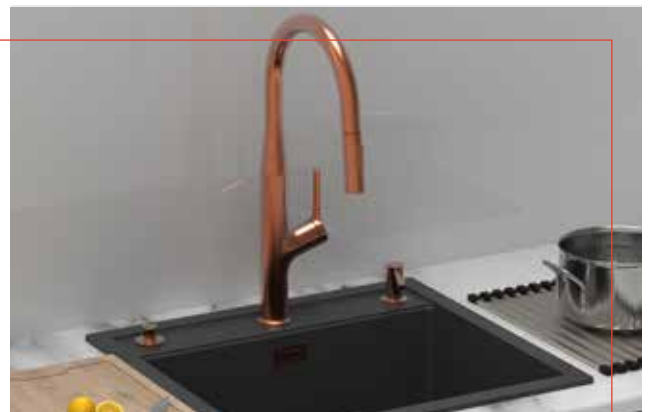
Quartz Sinks

The international markets presented a higher demand throughout FY 2021, and the domestic demand for Quartz sinks also picked up post July. We expect the sales momentum to remain dependable in the future, given the change in spending patterns, with special regards to discretionary income being spent towards home renovation and décor. This could be attributed to the limitation on travel and leisure spends.

- ▶ Acrysil has increased its production capacity from 5,00,000 units p.a. to 7,00,000* units p.a. in 2021. To meet the growing demand globally via the Company's recent tie-ups, we decided to expand our production capacity by additional 1,40,000 units p.a and take the capacity from 7,00,000 units p.a. to 8,40,000 units p.a. by Q3 FY2022.
- ▶ 4,13,176 units were sold in FY 2021, against 3,86,751 units in FY 2020.
- ▶ The Quartz sink segment registered the highest revenues, delivering 90% of the total sales
- ▶ Total export and domestic revenues stood at ₹ 18,752.41 Lakhs and ₹ 2,792.13 Lakhs, respectively.

Outlook

The demand exhibited during the pandemic is expected to sustain over the long term, backed by changing aspirations and a desire for smart and sustainable products. The USA, Germany, UK, and France are the biggest markets for Quartz sinks at present. We are geared to make the most of the existing and upcoming trends, well-equipped with more than 1,500 customer touchpoints in India to cater to growing domestic needs. At the same time, our international tie-ups will help us reach deeper into the aforementioned territories.



* As on June 2021

Stainless Steel Sinks

The global stainless steel sink industry was worth USD 1,358 Million in 2020 and is expected to reach USD 1530 Million by 2027, witnessing a CAGR of 2% from 2020.

(<https://www.marketwatch.com/press-release/stainless-steel-sink-market-size-2021-on-going-trends-by-development-history-with-cagr-of-20-industry-share-estimation-size-future-demands-impressive-growth-rate-and-business-prospect-2027-2021-04-19>)

- ▶ Our annual manufacturing capacity of Stainless Steel Sinks comprises of 60,000 Press Sinks and 30,000 Quadro Sinks aggregating to 90,000 Sinks.
- ▶ 90% capacity utilisation
- ▶ The total revenue from stainless steel was ₹ 21.35 Crore in 2020-21, as compared to ₹ 21.39 Crore in 2019-20.

During the year, we installed a state-of-the-art Physical Vapor Deposition (PVD) plant at our Bhavnagar plant, aimed to supplement manufacturing and coating for designer Steel sinks. The plant coats up to 50,000 designer Steel sinks per annum. Analysing the recent demand for coloured Steel sinks across the globe, we created an exclusive collection with three colours: Rose gold, yellow gold, and gun metallic. The Company deploys PVD technology, which enhances the life of the coating and adds value to the aesthetics.



Corporate Overview

Statutory Reports

Financial Statements

Financial Overview

In FY21, we continued to push towards reaching our business objectives and attained the highest annual turnover in the history of the Company. This has been possible due to increased operational efficiencies and consistent value addition. In the coming years, we aim to increase our return on the capital employed and concentrate on reducing the debt levels.

Standalone

At the end of FY21, our standalone revenue improved by 15.85% to touch ₹ 248.34 Crore, which was ₹ 214.37 Crore in FY20. The export sales increased by 27.75% to ₹ 200.58 Crore in FY21, in comparison to ₹ 157.01 Crore in FY20. The pandemic of COVID-19 slightly affected our domestic sales, which fell by 16.74% to ₹ 47.76 Crore, as opposed to ₹ 57.36 Crore in FY20. We continue to back our marketing and distribution channels for enhancing

our domestic results. The Profit After Tax improved to ₹ 26.63 Crore in FY21, which is an 108.21% improvement from ₹ 12.79 Crore in FY20.

Consolidated:

The consolidated revenue of the Company increased by 12.12% to ₹ 309.72 Crore in FY21, which was ₹ 276.23 Crore in FY20. The consolidated PAT after minority interest rose by 77.17% to ₹ 39.12 Crore in FY21 from ₹ 22.08 Crore in FY20. The earnings per share stand at ₹ 14.66 at the end of FY21, compared to ₹ 8.38 in the previous fiscal on a consolidated basis. The Company has always had a consistent dividend policy and the Board of Directors have recommended dividend of 60% subject to the approval of members at the ensuing Annual General Meeting of the Company.



Risk and Mitigation

RISK	MITIGATION
<p>Economic uncertainties The pandemic has posed economic uncertainty. This is likely to impact the spending and purchasing power of the population, which could impact the Company's prospects and sales.</p>	<p>We are consistently updating our products, focussing on using only the most profitable and modern technological solutions and following all the necessary safety protocols.</p>
<p>Entry of new players Our business can be impacted by disruptive start-ups with comparable networking prowess.</p>	<p>With over three decades of experience, we hold a substantial brand equity and product recall. Our adherence to international quality and safety standards and constant innovation continue to give the Company an edge over its peers.</p>
<p>Unavailability of raw material The possibility or inability to procure raw materials at right time and right price can affect our business adversely.</p>	<p>We have established strong relationships with multiple vendors and a definitive inventory management scheme to procure our raw materials as per need.</p>
<p>Quality issues Our brand name can significantly be impacted by any change in quality.</p>	<p>We are committed to pursuing the highest benchmarks and quality standards with global certifications. Quality is not a protocol but an essential that is mandated in our method.</p>
<p>Currency fluctuations Our business can be exposed to the currency risk due to maximum revenue from exports.</p>	<p>We stay 50% hedged against currency fluctuations.</p>
<p>Lack of prominence The overall performance of our business can be hampered by poor marketing techniques.</p>	<p>The Company has a reliable, robust network comprising global retailers. We make network strengthening a priority and plan strategic alliances to ensure maximum output.</p>
<p>Labour issues The unavailability of labourers, primarily due to the lockdown-infested migration, can affect our business negatively.</p>	<p>90% of our labourers are locals, which prevented more labour disruption.</p>

Adequacy of Internal Control Systems

As a major player in the industry, Acrysil depends on its efficient internal control systems. The primary goal of these systems is to ensure effective utilisation of resources, conduct financial reporting, and magnify productivity while checking the Company's adherence to the various laws and regulations in place. We regularly update our internal control systems to maximise output, increase control over transactions, and further resource optimisation.

The Company has a business planning system, which identifies targets and parameters to monitor the efficiency of each operation. The performances are monitored regularly, and real-time corrective steps are executed whenever required. The Company has adequate internal control systems commensurate with the size and nature of the business.

Disclaimer

All the statements in the Management Discussion and Analysis (MD&A) report, which label the Company's objectives, estimates, expectations, and projections may be considered 'forward-looking statements, the meaning of which falls within applicable securities laws and regulations. The real-world results might alter on a materialistic basis from those stated or expressed. Numerous factors, which include, but are not limited to variables that affect demand and supply, input prices, fluctuation of the exchange rate, etc. over which the Company does not have direct influence, can make substantial difference to the operations of the Company. The Company is not obligated to update or revise any statement, which is forward-looking, on a public basis, whether due to future events, new information, or otherwise. The MD&A must be read in unification with the financial statements of the Company included herein. The facts and figures provided in this MD&A relate to Acrysil Limited unless stated otherwise.



NOTICE

Notice is hereby given that the **Thirty-Fourth Annual General Meeting of Acrysil Limited ("the Company")** will be held on Wednesday, September 22, 2021 at 03:30 p.m. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt:**
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares and to declare a Final Dividend of ₹1.20/- (60%) per share on fully paid equity shares of the face value of ₹2/- each of the Company for the financial year ended March 31, 2021.
3. To appoint a Director in place of Mr. Chirag A. Parekh (DIN: 00298807), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2022 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration of ₹1,10,000/- (Rupees One Lakh and Ten Thousand only) plus taxes as applicable and re-imburement of out of pocket expenses incurred during the course of Audit to M/s. S. K. Rajani and Co., Cost Accountants (Firm Registration No: 101113), who have been appointed by the Board of Directors of the Company as the Cost

Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, be and is hereby ratified.

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

5. To consider increase in the Borrowing Powers of the Company and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the special resolution passed by the members at the 29th Annual General Meeting of the Company held on September 24, 2016, and pursuant to provisions of Section 180(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, or any other applicable act(s) for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company ("the board"), to borrow from time to time, such sum or sums of monies as it may deem requisite for the purpose of the business of the Company, *inter alia*, by way of loan/financial assistance from various bank(s), financial institution(s) and/or other lender(s), issue of debentures/bonds or other debt instruments, with or without security, whether in India or outside India) and through acceptance of fixed deposits and inter-corporate deposits (whether in Indian Rupees or in foreign currency, on such terms and conditions as the Board, at its sole discretion, may deem fit, notwithstanding that the monies so borrowed together with monies already borrowed by the Company (apart from the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount up to which monies may be borrowed by the Board shall not

NOTICE (Contd.)

exceed a sum of ₹250 Crore (Rupees Two hundred and fifty Crore only) at any point of time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution.

6. To create a charge/security on the assets with respect to borrowing, consider and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the special resolution passed by the members at the 29th Annual General Meeting of the Company held on September 24, 2016, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under, or any other applicable act(s) for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board'), to create from time to time such charges, mortgages, liens, hypothecations and/or other securities in addition to the existing charges, mortgages, liens and hypothecations and/or other securities, if any, created by the Company, on such terms and conditions as the Board at its sole discretion may deem fit, on the Company's assets and properties, both present and future whether movable and immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favour of Bank(s), Financial Institution(s), and/or other lender(s), fixed deposit trustee, debenture trustee, security trustee as may be agreed to by the Board, for the purpose of securing repayment of any loans/financial assistance or debentures or bonds or other instruments issued to the public and/or on private placement basis and/or in any other manner (whether in Rupees or in foreign currency), subject to a maximum amount of ₹250 Crore (Rupees Two hundred and fifty Crore only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate and finalise the terms and conditions, agreements, deeds and documents

for creating the said mortgages, charges, liens, hypothecation and/or other securities and to do and perform all such acts, deeds, matters or things as may be necessary, proper, expedient or desirable to give effect to this resolution."

7. To re-appoint Mr. Chirag A. Parekh (DIN: 00298807) as Managing Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-

"RESOLVED THAT in supersession of the special resolution passed earlier at the 32nd Annual General Meeting held on September 13, 2019 for the un-expired period of his term of appointment i.e. from November 1, 2021 to October 31, 2022 and in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be required, approval of the members be and is hereby accorded for the re-appointment of Mr. Chirag A. Parekh (DIN: 00298807) as Managing Director of the Company, for a period of 3 (three) years with effect from November 1, 2021, liable to retire by rotation, on the terms and conditions including payment of remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Chirag A. Parekh.

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

8. **Issue of securities to Qualified Institutional Buyers**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

NOTICE (Contd.)

“RESOLVED THAT subject to the approval of the shareholders of the Company (“Members”) by way of a special resolution and pursuant to the applicable provisions of Sections 23, 42, 62, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”) and the rules enacted thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 including any amendment(s) thereto or re-enactment(s) thereof, the relevant provisions of the Memorandum and Articles of Association of the Company and in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof including regulations for qualified institutions placement contained in Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as “SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the uniform listing agreements entered with the BSE Limited and the National Stock Exchange of India Limited (collectively referred to as “Stock Exchanges”), the applicable provisions of the Foreign Exchange Management Act, 1999, including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) thereof (“FEMA”), the extant Consolidated Foreign Direct Investment Policy issued by the Department of Industrial Policy & Promotion, as amended and replaced from time to time (“FDI Policy”) and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued/to be issued thereon by the Government of India (“GOI”), Ministry of Corporate Affairs (“MCA”), the Reserve Bank of India (“RBI”), the Securities and Exchange Board of India (“SEBI”), the Stock Exchanges where the equity shares of the Company of face value of ₹2/- each are listed and/ or any other regulatory/ statutory authorities under any other applicable law, from time to time (hereinafter singly or collectively referred to as the “Appropriate

Authorities”) to the extent applicable and subject to the terms, conditions, modifications, consents, sanctions and approvals of any of the Appropriate Authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such terms, conditions, modifications, approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board, from time to time, to exercise its powers including powers conferred by this resolution), consent of the Board be and is hereby accorded to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, or such part of issue and for such categories of persons as may be permitted) equity shares of face value of ₹2/- each of the Company or other eligible securities defined under Regulation 171(a) of SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities”) to Qualified Institutional Buyers (“QIBs”) as defined in SEBI ICDR Regulations through a Qualified Institutions Placement (“QIP”), pursuant to and in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, whether or not such QIBs are Members of the Company, on the basis of the placement document(s) and/ or other letter or circular, at such time or times in one or more tranche or tranches, for cash at such a price or prices as the Board may deem fit including discount of up to 5 % on the floor price calculated as per Regulation 176 of SEBI ICDR Regulations, such that the total amount to be raised through issue of Equity Shares and/ or Eligible Securities or in any combination thereof shall not exceed ₹150 Crore (Rupees One Hundred and Fifty Crore only), to be subscribed to in Indian and/ or any foreign currency(ies) by all eligible investors, including but not limited to resident or non-resident/foreign investors (whether institutions and/ or incorporated bodies and/ or trusts or otherwise) /foreign portfolio investors/mutual funds/pension funds/venture capital funds/ banks/ alternate investment funds/ Indian and/ or multilateral financial institutions/ insurance companies and any other category of persons or entities who are authorised to invest in Equity Shares and/ or Eligible Securities of

NOTICE (Contd.)

the Company as per extant regulations/ guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion in consultation with the book running lead managers and whether or not such investors are Members of the Company (collectively called "Investors"), to all or any of them, jointly or severally through a placement document, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, including securities premium and green shoe option attached thereto, in one or more tranche or tranches, at such price or prices (at prevailing market price or at permissible discount or premium to market price in terms of applicable regulations) and on such terms and conditions at the Board's absolute discretion in consultation with the book running lead managers including the discretion to determine the categories of Investors, considering the prevailing market conditions and other relevant factors wherever necessary, to whom the offer, issue and allotment of Equity Shares and/or Eligible Securities shall be made to the exclusion of others, in such manner and where necessary in consultation with the book running lead managers and/ or other advisors or otherwise on such terms and conditions and deciding of other terms and conditions like number of Equity Shares and/or Eligible Securities to be issued and allotted, fixing of record date or book closure, if required, as the Board may in its absolute discretion decide, in each case, subject to the applicable laws.

RESOLVED FURTHER THAT in case of issue and allotment of Equity Shares and/or Eligible Securities by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations:

- (i) the allotment of the Equity Shares and/or Eligible Securities, subject to applicable laws, shall be completed within 365 days from the date of passing of the special resolution of the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations;
- (ii) the equity shares issued shall rank pari passu in all respects including entitlement to dividend, voting rights or otherwise with the existing equity shares of the Company in all respects as may be provided under the terms of issue and in accordance with the placement document(s);
- (iii) the Equity Shares and/or Eligible Securities to be created, offered and issued shall be subject to the provisions of Memorandum and Articles of Association of the Company;
- (iv) no partly paid-up Equity Shares and/or Eligible Securities shall be issued/allotted;
- (v) in case of allotment of Equity Shares, the relevant date for the purpose of pricing of the equity shares to be issued, shall be the date of the meeting in which the Board or a committee thereof decides to open the proposed issue of equity shares, subsequent to the receipt of Members' approval in terms of provisions of the Act and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the equity shares and in case of case of allotment of eligible convertible securities in the form of convertible securities, either the date of the meeting in which the Board of the Company decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board;
- (vi) issue of Equity Shares made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) provided under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"). The Board may, however, at its absolute discretion in consultation with the book running lead managers, issue Equity Shares at a discount of not more than 5% or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
- (vii) no single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;
- (viii) no allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company;

NOTICE (Contd.)

- (ix) the Equity Shares and/or Eligible Securities shall not be sold for a period of 1 year from the date of allotment, except on a recognised Stock Exchange or except as may be permitted from time to time by the SEBI ICDR Regulations; and
- (x) any subsequent qualified institutions placement shall not be until the expiry of two weeks from the date of the prior qualified institutions placement made pursuant the special resolution.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforementioned Equity Shares and/or Eligible Securities may have such features or attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price or period of conversion of Eligible Securities during the duration of the Eligible Securities and the Board be and is hereby authorised, in its absolute discretion, in such manner, as it may deem fit, to dispose off such of the Equity Shares and/or Eligible Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares and/or Eligible Securities, the Board is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, determining terms and conditions for issuance of Equity Shares and/or Eligible Securities including the number of such Equity Shares and/or Eligible Securities that may be offered in domestic and international markets and proportion thereof, issue price and discounts permitted under applicable law, timing for issuance of such Equity Shares and/or Eligible Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, marketing, listing, trading and entering into and executing arrangements with merchant bankers/ lead managers, legal advisors, depository, custodian,

registrar, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s) or agreements including but not limited to placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares and/or Eligible Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of its powers herein conferred by this resolution to any Committee of Director or subject to applicable law, Directors or one or more executives of the Company to give effect to the above resolutions."

By order of the Board of Directors
For Acrysil Limited

Neha Poddar
Company Secretary and Compliance Officer

Place: Mumbai
Date: August 05, 2021

Registered Office:

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

Tel.: 022-4015 7817/18

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

NOTICE (Contd.)

IMPORTANT NOTES:

- 1) In view of the continuing COVID-19 pandemic, to ensure social distancing norms, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- 2) Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
- 3) Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed.
- 4) An Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 4, 5, 6, 7 and 8 given above as Special Business in the ensuing AGM, as they are unavoidable in nature.
- 5) In terms of the provisions of Section 152 of the Act, Mr. Chirag A. Parekh, Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting. The Board of Directors of the Company recommend his re-appointment.

Mr. Chirag A. Parekh is interested in the Ordinary Resolution set out at Item Nos. 3, of the Notice with

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

- 6) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are annexed.
- 7) Institutional/Corporate Shareholders (i.e. other than Individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF / JPEG format) of its Board or governing body Resolution / Authorisation etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Company by email through its registered email address to cs.al@acrysil.com.
- 8) The Company has notified closure of Register of Members and Share Transfer Books from September 10, 2021 to September 14, 2021 (both days inclusive) for the purpose of determining entitlement of members for dividend on Equity Shares, if declared at the ensuing Annual General Meeting of the Company.

DIVIDEND RELATED INFORMATION

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

Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants/demand drafts will be dispatched to the registered address of the

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shareholders who have not updated their bank account details.

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

- (a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and
- (b) with the Company/Bigshare by clicking on <https://www.bigshareonline.com/InvestorRegistration.aspx> or by emailing at cs.al@acrysil.com, if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf. In case shares are held in dematerialised mode, details in a form prescribed by your Depository Participant may also be required to be furnished.

Pursuant to the amendments introduced by the Finance Act, 2020, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. 1st April 2020. **No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹5,000/-.**

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

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

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

- 11) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with BSPL in case the shares are held by them in physical form.
- 12) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to BSPL in case the shares are held by them in physical form.
- 13) Non-Resident Indian members are requested to inform BSPL/ respective DPs, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 14) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to BSPL in case the shares are held in physical form.
- 15) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 16) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

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- 17) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 15, 2021 through email on cs.al@acrysil.com. The same will be replied by the Company suitably.
- 18) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.
- 19) In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.acrysilcorporateinfo.com, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and notice of the AGM will also be available on the website of CDSL www.evotingindia.com.
- 20) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 21) At the thirtieth AGM held on September 20, 2017 the Members approved appointment of M/s. P A R K & Company, Chartered Accountants (Firm Registration No.116825W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-fifth AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the thirty-fourth AGM.
- 22) **Instructions for e-voting and joining the AGM are as follows:**
1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
 2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
 3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/

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AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.acrysilcorporateinfo.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

6. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Sunday, September 19, 2021 (09:00 AM IST) and ends on Tuesday, September 21, 2021 (05:00 PM IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 15, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/**

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Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are

allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.

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- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Acrysil Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

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- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs.al@acrystal.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs.al@acrystal.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs.al@acrystal.com. These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned

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copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

1. For Physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders – please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting

system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / I pads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance between 9.00 a.m. on Tuesday, Sept 14, 2021 to 5.00 p.m. on Wednesday, Sept 15, 2021 mentioning their name, demat account number/ folio number, email-id, mobile number at cs.al@acrysil.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till 5.00 p.m. on Sept 15, 2021 mentioning their name, demat account number/ folio number, email id, mobile number at cs.al@acrysil.com. These queries will be replied to by the Company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

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3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; cs.al@acrysil.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

In case you have any queries or issues regarding attending AGM & e-voting from the e-Voting System,

you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

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

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

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

Neha Poddar
Company Secretary and Compliance Officer

Place: Mumbai
Date: August 05, 2021

Registered Office:

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

Tel.: 022-4015 7817/18

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

NOTICE (Contd.)

EXPLANATORY STATEMENT:

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

Item No.4:

The Board of Directors of the Company, on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditor to conduct the audit of the cost records of the Company's manufacturing units at Bhavnagar for the Financial Year ending March 31, 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company. Accordingly, ratification of the Members is sought as referred to in the Resolution at Item No.4 of the Notice of the payment of the remuneration amounting to ₹1,10,000/- (Rupees One lakh and ten thousand only) for Cost Audit plus taxes as applicable and re-imburement of out of pocket expenses payable to the Cost Auditor for the Financial Year ending March 31, 2022.

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

The Board recommends passing of the Ordinary Resolution as set out in Item No. 4 of this Notice for ratification by the Members.

Item No.5 & 6:

Vide special resolutions dated September 24, 2016, passed by the members at the 29th Annual General Meeting of the Company had accorded their consent to the Board of Directors to borrow money(ies) for the purposes of the Company's Business not exceeding ₹150 Crore (including the temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business) in terms of Section 180(1)(c) of the Companies Act, 2013 ('the Act') and creation of mortgages, charges, liens, hypothecation and/or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, for securing the borrowings up to a limit of ₹150 Crore in terms of Section 180(1)(a) of the Act.

Considering the future business plan of the Company and to meet funding requirements for its business, the Board of Directors may need to resort to further borrowings from time to time, inter alia, by way of loans/financial assistance from various bank(s)/financial institution(s) and other lender(s), issue of debentures/bonds/commercial paper or other debt instruments and through acceptance of fixed deposits and inter-corporate deposits. These borrowings may also have to be secured by creation of mortgages, charges, liens, hypothecation and/or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favour of such bank(s)/financial institution(s)/other lender(s)/debenture trustee/security trustee/ fixed deposits trustee.

Accordingly, it is proposed to seek approval of the members of the Company for enhancing the limits of borrowing and creation of charge/security on the Company's assets with respect to borrowing from the existing limit of ₹150 Crore to ₹250 Crore.

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

The Board recommends passing of the Special Resolutions as set out in item nos. 5 and 6 of this Notice.

Item No.7

Mr. Chirag A. Parekh (DIN: 00298807) was appointed by the Shareholders as Chairman and Managing Director at their 32nd Annual General Meeting held on September 13, 2019 for a period of three years. In supersession of the special resolution passed earlier at the 32nd Annual General Meeting held on September 13, 2019 for the un-expired period of his term of appointment i.e. from November 1, 2021 to October 31, 2022 and considering his contribution in overall growth and performance of the Company, the Board of Directors of the Company ("Board"), at its meeting held on August 05, 2021 has, subject to the approval of members, re-appointed him for a period of three years with effect from November 1, 2021 to October 31, 2024, on the terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee/Board on August 5, 2021.

NOTICE (Contd.)

The re-appointment of Mr. Chirag A. Parekh (DIN: 00298807) as the Managing Director of the Company shall require the approval of the shareholders by way of passing of Special Resolution pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Schedule V to the Companies Act, 2013.

The remuneration, allowances and perquisites payable to the above mentioned Director is given below:

I. BASIC SALARY

BASIC SALARY: ₹1,68,00,000/- per annum (in the range of ₹1,68,00,000/- p.a. – ₹2,64,00,000/- p.a.) during his 3 year tenure.

II. OTHER ALLOWANCES/PERQUISITES

(a) Other Allowances/ Perquisites: ₹1,68,00,000/- per annum (in the range of ₹1,68,00,000/- p.a. – ₹2,64,00,000/- p.a.) during his 3 year tenure.

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

(b) Company's car and telephone (including mobile) at residence and reimbursement of expenses incurred by him for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

(c) Company's contribution to Provident Fund is not taxable under the Income tax Act, gratuity payable as per the Rules of the Company (within limit of 12% of the basic salary every year) and encashment of leave as per the Rules of the Company.

III. COMMISSION

In addition to the salary, perquisites and allowances as set out above, Mr. Chirag A. Parekh will be entitled to receive

Commission @ 2% based on the Profits calculated as per Section 198 of the Companies Act, 2013.

IV. OTHER TERMS

- (a) Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred by him in the performance of duties.
- (b) Mr. Chirag A. Parekh shall not be entitled for sitting fees for attending meetings of the Board of Directors of the Company or Board Committees so long as he functions as the Managing Director of the Company.
- (c) The tenure of the Managing Director may be terminated by either party by giving to the other party ninety days' notice in writing.
- (d) In the event of any dispute or difference arising at any time between Mr. Chirag A. Parekh and the Company in respect of the Agreement or the construction thereof, the same will be submitted to and be decided by Arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
- (e) The Board may grant annual increments and revise the Salary within the aforesaid range by granting one or more increments in the above range, having regard to the merits and the Company's performance. The Fixed Salary can be paid as basic salary and various allowances as per the policies of the Company.

Mr. Chirag A. Parekh satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

NOTICE (Contd.)

I. GENERAL INFORMATION

No.	Particulars			
1	Nature of Industry	Manufacturing of Quartz Kitchen Sinks		
2	Date or expected date of commencement of Commercial Production.	The Company is incorporated since 1987.		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4	Financial performance based on given indications.	March 31, 2021 (₹in Lakhs)	March 31, 2020 (₹in Lakhs)	March 31, 2019 (₹in Lakhs)
	Revenue from operations (net)	24,834.13	21,437.31	19,875.60
	Profit before Tax	3,876.46	1,821.00	1,667.94
	Net Profit After Tax	2,662.64	1,279.13	1,178.40
5	Foreign investments or collaborators, if any	Not Applicable		

II. INFORMATION ABOUT THE APPOINTEE

No	Particulars	
1	Background Details	Mr. Chirag A. Parekh has joined the Company in 1993 and has been the Managing Director of the Company since 2002. He has been responsible for driving the growth and profitability of the organisation. He holds a degree in Bachelor of Business Administration (B.B.A.) from European University. He is leading the Company for more than two decades now. He has strong business acumen, vast technical and commercial experience.
2	Past Remuneration / Perquisites	₹200 Lakhs
3	Recognition or Awards	Under his able leadership, the Company was recognised as " Forbes Asia Best under a Billion Company " in the year 2020. He has also received recognition for his contribution to manufacturing innovation and design at the Industry 2.0 Manufacturing Innovation Conclave'12.
4	Job Profile and His Suitability	Mr. Chirag Parekh has joined the Company in 1993. The turnover and profits of the Company have been increasing consistently over the years. The growth in the Company's operations can, to a large extent, be attributable to the dynamism and relentless efforts of Mr. Chirag Parekh. Several new initiatives have been and are being taken to further the growth and the profitability of the Company. Taking into consideration his expertise, Mr. Chirag Parekh is best suited for the responsibilities currently assigned to him by the Board of Directors of the Company.
5	Remuneration/perquisites proposed	Salary in the range of: (w.e.f. November 1, 2021) Basic Salary - ₹168 Lakhs p.a. Other Allowances/perquisites - ₹168 Lakhs p.a.
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry.

NOTICE (Contd.)

No	Particulars	
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any,	Besides the remuneration proposed to be paid to him, the Managing Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel. Mr. Chirag A. Parekh is the Promoter of the Company. Mr. Chirag A. Parekh, Chairman and Managing Director holds 86,33,480 equity shares of the share capital of the Company

III. OTHER INFORMATION

NO	PARTICULARS	
1	Reasons of loss or inadequate profits	The Company has consistent track record of profitability and there is no loss in the Company. However, the remuneration proposed to be paid to Mr. Chirag A. Parekh, Managing Director of the Company as per the limit prescribed under Section 197 read with Schedule V of Companies Act, 2013 is in excess of Net Profit computed under Section 198 and as prescribed in Part II of Schedule II of Schedule V of the Companies Act, 2013.
2	Steps taken or proposed to be taken for improvement.	It has been endeavor of the Company to penetrate into existing as well as new export markets. The Company is continuously increasing its production capacity and thereby increasing the volumes of its business with focus on quality of its products. The Company is also making every effort to reduce cost and increase the overall efficiency, which will result increase in overall profitability of the Company.
3	Expected increase in productivity and profits in measurable terms	The Company is expecting growth in the turnover and profit due to expansion of production capacities and expecting to do good Export turnover in future.

IV. DISCLOSURES

1. Remuneration package of the managerial person: Fully described in the explanatory statement as stated above.
2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2020-21: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2020-21 of the Company

Except Mr. Chirag A. Parekh, none of the other Directors or key managerial personnel or their relatives are concerned or interested, directly or indirectly, financially or otherwise, in these resolutions except to the extent of their respective shareholding, if any, in the Company.

The Board recommends passing of the Special Resolution as set out in item nos. 7 of this Notice

Item No.8

As a part of the growth strategy and to augment the long-term resources of the Company for meeting funding

requirements of its business activities and general corporate and other purposes, the Board of Directors of the Company ("Board"), at its Meeting held on August 05, 2021, approved the issue of Equity Shares or other Eligible Securities as defined under Regulation 171(a) of SEBI ICDR Regulations, to Qualified Institutional Buyers as defined under the SEBI ICDR Regulations ("QIBs") for an amount upto ₹150 Crore (Rupees one hundred and fifty Crore only) for cash in one or more tranches, through a Qualified Institutional Placement ("QIP"), under the SEBI ICDR Regulations. The issue/allotment of Equity Shares or Eligible Securities may be consummated in one or more tranches at such time or times and at such price, whether at a discount or premium to market price and on such terms and conditions as the Board (hereinafter referred to as the "Board" which term shall deemed to include any Committee(s) constituted/to be constituted by the Board) may in its absolute discretion decide, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, book running lead managers and such other authority or authorities as may be necessary and subject

NOTICE (Contd.)

to, as applicable, the SEBI ICDR Regulations, and other applicable guidelines, notifications, rules and regulations, each as amended.

The proposed QIP may result in the issuance of Equity Shares or Eligible Securities to investors who may not be Members of the Company. Therefore, consent of the Members is being sought by passing a special resolution as set out in the Notice, pursuant to applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, the SEBI ICDR Regulations and any other law for the time being in force and being applicable.

Since, the pricing and other terms of the QIP cannot be decided, except at a later stage, an enabling resolution is being passed to give adequate flexibility and discretion to the Board to finalize the terms of the Equity Shares or Eligible Securities that may be issued to the QIBs in the QIP. The pricing shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VI of the SEBI ICDR Regulations.

The Board in accordance with applicable law and in consultation with book running lead managers, may offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the SEBI ICDR Regulations (i.e. not less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the 'Relevant Date').

The 'Relevant Date', in case of allotment of Equity Shares will be the date when the Board decides to open the QIP for subscription and in case of allotment of eligible convertible securities, either the date of the Meeting in which the Board or decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

The allotment of Equity Shares or other Eligible Securities shall be completed within 365 days from the date of resolution passed by the Members.

The Equity Shares shall rank pari passu in all respects, including in respect of entitlement to dividend with the existing equity shares, as may be provided under the terms of the QIP, and in accordance with the provisions of the placement document(s).

The Eligible Securities or Equity Shares shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognised stock exchange, or except as may be permitted under the SEBI ICDR Regulations from time to time.

Pursuant to Sections 42, 62 and other applicable provisions of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), the SEBI ICDR Regulations and the SEBI Listing Regulations, approval of Members is required to be obtained by way of a special resolution.

Accordingly, the Board of Directors recommends passing of the special resolution set out in the Notice.

None of the promoters or Directors will participate either in the offer or separately in furtherance of the objects.

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

The Board recommends passing of the Special Resolution as set out in item nos. 8 of this Notice

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

Neha Poddar
Company Secretary and Compliance Officer

Place: Mumbai
Date: August 05, 2021

Registered Office:

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

Tel.: 022-4015 7817/18,

CIN: L26914MH1987PLC042283

Email: cs.al@acrysil.com

Website: www.acrysilcorporateinfo.com

ANNEXURE TO THE NOTICE DATED AUGUST 5, 2021

Particulars /Name	Chirag A. Parekh
DIN	00298807
Date of Birth and Age	30-08-1969 51 years
Date of first Appointment on the Board	02-11-2002
Qualifications	B.B.A. European University, Switzerland
Experience (including expertise in specific functional areas)	Experience of more than 2 decades in Administration, Finance, Marketing & Personnel management.
Terms & Conditions of Re-appointment/ Appointment	As per the resolution at Item No.3 & 7 of the Notice convening the Annual General Meeting read with explanatory statement thereto.
Remuneration last drawn (FY 2020-21)	Rs.200 Lakhs
Remuneration proposed to be paid	As per Explanatory Statement
Shareholding in the Company as on March 31, 2021	86,33,480 equity shares of Rs.2/- each
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the financial year (2020-21)	7
Directorships of other Boards as on March 31, 2021	a) Acrysil Steel Limited; b) Acrycol Minerals Limited; c) Sternhagen Bath Private Limited; d) Acrysil Appliances Limited; e) CP Sports Ventures Private Limited; f) Huuves Design Private Limited g) Silver Spur Wellness Private Limited
Memberships / Chairmanships of Committees of other Boards as on March 31, 2021	NIL

By order of the Board of Directors
For Acrysil Limited

Neha Poddar
Company Secretary and Compliance Officer

Place: Mumbai
Date: August 05, 2021

Registered Office:
B-307, Citi Point, J. B. Nagar, Andheri - Kurla Road,
Andheri (East), Mumbai - 400 059.
Tel.: 022-4015 7817/18,
CIN: L26914MH1987PLC042283
Email: cs.al@acrysil.com
Website: www.acrysilcorporateinfo.com

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the **Thirty Fourth Annual Report** on business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2021. This report states compliance as per the requirements of the Companies' Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules and regulations as applicable to the Company.

1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY

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

(₹ in Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Net Sales / Income from Operations	24,834.13	21,437.31	30,971.67	27,623.19
2	Other Income	728.98	498.66	800.55	472.80
3	Total Income (1+2)	25,563.11	21,935.97	31,772.22	28,095.99
4	Total Expenditure	19,889.25	18,245.62	24,392.37	22,983.07
5	Operating Profit before Finance Cost, Depreciation, Tax and Minority Interest (3-4)	5,673.86	3,690.35	7,379.85	5,112.92
6	Finance Cost	639.83	777.13	730.21	872.23
7	Depreciation	1,157.57	1,092.22	1,266.43	1,192.50
8	Profit before Tax and Minority Interest (5-6-7)	3,876.46	1,821.00	5,383.21	3,048.19
9	Provision for Taxation	1,213.82	541.87	1,451.45	761.98
10	Net Profit after Tax and before Non-Controlling Interest (8-9)	2,662.64	1,279.13	3,931.76	2,286.21
11	Non-Controlling Interest	-	-	19.54	78.59
12	Net Profit after Tax and Non-Controlling Interest (10-11)	2,662.64	1,279.13	3,912.22	2,207.62
13	Total other Comprehensive Income (Net of Tax)	(18.33)	(22.95)	(18.00)	(110.38)
14	Total Comprehensive Income	2,644.31	1,256.18	3,894.22	2,097.24

Notes:

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

DIRECTORS' REPORT (Contd.)

2. PERFORMANCE REVIEW

THE FINANCIAL HIGHLIGHTS OF THE COMPANY'S PERFORMANCE (STANDALONE) FOR THE YEAR ENDED MARCH 31, 2021 ARE AS UNDER:

- The Revenue from operations stood at ₹24,834.13 Lakhs in 2020-21 as compared to ₹21,437.31 Lakhs in the previous year
- Profit before tax stood at ₹3,876.46 Lakhs in 2020-21 as compared to ₹1,821.00 Lakhs in the previous year
- Net profit after tax stood at ₹2,662.64 Lakhs in 2020-21 as compared to ₹1,279.13 Lakhs in the previous year
- Earnings per share for the year 2020-21 stood at ₹9.97/- per share as compared to ₹4.86/- per share in the previous year

THE FINANCIAL HIGHLIGHTS OF THE COMPANY'S PERFORMANCE (CONSOLIDATED) FOR THE YEAR ENDED MARCH 31, 2021 ARE AS UNDER:

- Consolidated Revenue from operations stood at ₹30,971.67 Lakhs in 2020-21 as compared to ₹27,623.19 Lakhs in the previous year
- Profit before tax stood at ₹5,383.21 Lakhs in 2020-21 as compared to ₹3,048.19 Lakhs in the previous year
- Net profit after tax stood at ₹3,931.76 Lakhs in 2020-21 as compared to ₹2,286.21 Lakhs in the previous year
- Earnings per share for the year 2020-21 stood at ₹14.66/- per share as compared to ₹8.38/- per share in the previous year

3. DIVIDEND

Considering the consistent financial performance of your Company and promising future prospects while retaining capital to maintain a healthy Capital Adequacy Ratio and to support future growth, your Board of Directors have declared interim dividend of ₹0.80/- per Equity Share involving a cash outflow of ₹213.56 Lakhs and recommend a final dividend of 60% (₹1.20/- per Equity Share) on Equity Shares of ₹2/- each for the financial year ended March 31, 2021. The total Dividend

amount aggregates to ₹320.34 Lakhs. The declaration and payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company and shall be subject to deduction of income tax at source. The total dividend for FY 2021 amounts to ₹2/- per Equity Share & would involve a total Cash outflow of ₹533.90 Lakhs.

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

Material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report are given below.

GLOBAL PANDEMIC – COVID-19

In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown for 21 days on March 24, 2020, which further got extended till May 3, 2020 with conditional relaxations after April 20, 2020 for the regions where the spread had been contained or was minimal, the lockdown was further extended till May 17, 2020, then till May 31, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

On May 30, it was announced that lockdown restrictions were to be lifted from then onwards, while the ongoing lockdown would be further extended till June 30 for only the containment zones. Services were resumed in a phased manner starting from June 8. It was termed as "Unlock 1.0". The second phase of unlock, Unlock 2.0, was announced for the period of 1 to 31 July, with more ease in restrictions. Thereafter Unlock 3.0 was announced for August.

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

DIRECTORS' REPORT (Contd.)

The Company's Plant was closed w.e.f. March 23, 2020 to April 13, 2020 (22 days) due to lockdown. However, the Company got permission on April 14, 2020 from concerned authorities, subject to fulfilment of certain conditions, to partially start manufacturing operations to meet export orders backlog.

The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories and trade receivables. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

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

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

6. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

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

7. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2021 stands at ₹5,33,89,760 divided into 2,66,94,880 equity shares of ₹2/- each.

The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares to the employees or Directors of the Company, under any Scheme (including sweat equity shares) during the year. As on March 31, 2021, none of the

Directors of the Company hold instruments convertible into Equity Shares of the Company.

8. TRANSFER TO RESERVES

The Company transferred a sum of ₹500 Lakhs to the General Reserves. An amount of ₹5943.42 Lakhs is proposed to be retained in the Statement of Profit and Loss of standalone financials.

9. CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited as given below:

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

10. SUBSIDIARY COMPANIES

As on March 31, 2021, the Company has six subsidiaries, including two overseas subsidiaries and one step down overseas subsidiary. There has been no material change in the nature of the business of the subsidiaries. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. Financials of subsidiaries are disclosed in the consolidated financial statements, which forms part of this Annual Report.

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

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

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

DIRECTORS' REPORT (Contd.)

PERFORMANCE HIGHLIGHTS

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

The performance highlights of subsidiaries and their contribution to the overall performance of the Company during the financial year ended March 31, 2021 are as under:

Subsidiary	Performance during FY 2020-21 (₹ in Lakhs)		Contribution to overall performance of the Company (%)	
	Revenue	Profit After Tax	Revenue	Profit After Tax
Acrysil UK Limited	6371.94	932.67	20.57	23.72
Acrysil GmbH, Germany	584.26	268.78	1.89	6.84
Acrysil Steel Limited	2,361.17	130.30	7.62	3.31

Further, pursuant to Accounting Standard AS21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiary.

11. CONSOLIDATED FINANCIAL STATEMENTS

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

Pursuant to section 129(3) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of a Company's subsidiaries is given in Form AOC-1 which forms an integral part of

the Annual Report. The statement also provide details of performance and financial position of each of the subsidiaries.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS:

The Board of Directors of the Company is led by the Executive Chairman and Managing Director Mr. Chirag Ashwin Parekh and comprises of five other Independent Directors as on March 31, 2021.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Company's Articles of Association, Mr. Chirag Ashwin Parekh, Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and the Board of Directors on the recommendation of Nomination and Remuneration Committee has recommended his re-appointment and being eligible has offered himself for re-appointment.

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

In the proficiency of Company, the Company has adopted requisites step towards the inclusion of the name of all Independent Directors in the Data Bank maintained with the Indian Institute of Corporate Affairs, Manesar ("IICA"). Accordingly, the Independent Directors of the Company have registered themselves with the IICA for the said purpose. Pursuant to the Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake Online Proficiency Self-assessment Test conducted by the IICA within the period of two (2) years from the date of inclusion of their names in the Data Bank.

KEY MANAGERIAL PERSONNEL (KMP):

Mr. Chirag Ashwin Parekh, Chairman and Managing Director, Mr. Anand Sharma, Chief Financial Officer

DIRECTORS' REPORT (Contd.)

and Mrs. Neha Anup Poddar, Company Secretary and Compliance Officer are the Key Managerial Personnel in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

13. BOARD MEETINGS

During the year, 7 (Seven) Board Meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013. Details of Board and committee meetings held during the year are given in the Corporate Governance Report which forms part of the Annual Report. Board meeting dates are finalised in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. A detailed presentation is also made to apprise the Board of important developments in industry, segments, business operations, marketing, products etc. In accordance with the provisions of Schedule IV of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), a separate meeting of the Independent Directors of the Company was held on Thursday, March 18, 2021 to review the performance of Non-Independent Directors (including the Chairperson) and the entire Board.

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

14. COMMITTEES OF THE BOARD

The Board of Directors have the following Committees:

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

The details of the Committees along with their composition, number of meetings held and attendance

at the meetings are provided in the Corporate Governance Report.

15. BOARD EVALUATION

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

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

16. INDEPENDENT DIRECTOR'S FAMILIARISATION PROGRAMME

The Company familiarises its Independent Directors pursuant to the requirements of Regulation 25 of LODR with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model management structure, product portfolio, Industry overview, manufacturing operations, internal control system and processes, FOREX management, risk management framework, functioning of various divisions, HR Management, CSR activities etc. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at www.acrysilcorporateinfo.com.

17. REMUNERATION POLICY OF THE COMPANY

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

As and when need arises to appoint Director, the Nomination and Remuneration Committee (NRC) of the Company determines the criteria based on the specific

DIRECTORS' REPORT (Contd.)

requirements. NRC while recommending candidature to the Board takes into consideration the qualification, attributes, experience and Independence of the Candidate. Director(s) appointment and remuneration are made as per Nomination and Remuneration Policy of the Company.

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

19. AUDITORS

a. STATUTORY AUDITORS

M/s. P A R K & Company, Chartered Accountants (Firm Registration Number: 116825W) were appointed as Statutory Auditors of the Company for a period of 5 (Five) years from FY 2017 – 18 to 2021 – 22 at the 30th Annual General Meeting held on September 20, 2017. In view of the amendment to Section 139 of the Companies Act, 2013, the Company is not required to ratify the appointment of the Statutory Auditor at every Annual General Meeting. Hence, the item of ratification of appointment of Statutory Auditor is not considered in this Annual General Meeting. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

In view of the same M/s. P A R K & Company, Chartered Accountants will continue to act as Statutory Auditors of your Company for Financial Year 2021-22.

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

b. COST AUDITORS

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is

required to maintain cost records and accordingly, such accounts are made and records have been maintained for the year 2020-21.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. S. K. Rajani & Co., Cost Accountants (FRN: 101113) as the Cost Auditors of the Company, for the financial year ending 31st March, 2022, at a remuneration as may be mentioned in the Notice convening the 34th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A resolution seeking ratification by the members for the remuneration payable to Cost Auditor will form part of the Notice of the 34th Annual General Meeting of the Company and same will be recommended for your consideration and approval.

c. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. P. P. Shah & Co., a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year 2020-21 forms part of the Annual Report as "Annexure III" to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed M/s. P. P. Shah & Co., Practicing Company Secretaries, as Secretarial Auditors of the Company for financial year 2021-22.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate on Corporate Governance forms part of Annual Report. The Auditors' Certificate for financial year 2020-21 does not contain any qualification, reservation or adverse remark.

DIRECTORS' REPORT (Contd.)

20. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

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

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

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

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

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

Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect, our IFC. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditors of the Company has audited the IFC with reference to Financial Reporting and their Audit Report is annexed as "**Annexure B**" to the Independent

Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements respectively.

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

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

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

21. AUDIT COMMITTEE

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

During the Financial year 2020-21, the recommendations and ratifications of Audit Committee were duly approved, ratified and accepted by the Board of Directors.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed there under your Company has adopted a policy for CSR and the Board has constituted a Committee for implementing the CSR activities. Composition of the Committee and other details are provided in Corporate Governance Report. In the financial year 2020-21, the Company has undertaken various CSR activities directly and/or through implementing agency and the projects undertaken by the Company are in accordance with

DIRECTORS' REPORT (Contd.)

Schedule VII of the Companies Act, 2013. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in "Annexure I", forming part of this report.

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

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place. During the year under review, there were no complaints pertaining to sexual harassment.

24. RISK MANAGEMENT AND POLICY ON RISK MANAGEMENT

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

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

these risks materialise. The Board of Directors has also adopted a formal Risk Management policy for the Company, whereby, risks are broadly categorised with the parameters of identification, assessment, monitoring and mitigation of various risks.

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

25. VIGIL MECHANISM

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

26. RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

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

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

DIRECTORS' REPORT (Contd.)

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

27. PARTICULARS OF EMPLOYEES

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

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

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

28. INSURANCE

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets against unforeseeable perils like fire, riot, earthquake, floods, terrorism etc. and other risks which are considered necessary by the management. In addition to this coverage, a statutory Public Liability Insurance Policy has been taken to cover the Company for providing against the public liability arising out of industrial accidents for employees working in plants.

29. DEPOSITS

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

30. ANNUAL RETURN

The Annual Return of the Company as on March 31, 2021, is available on the Companys' Website and can be accessed at www.acrysilcorporateinfo.com.

31. SECRETARIAL STANDARDS

During the year 2020-21, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

32. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 134 of the Companies Act, 2013, in relation to financial statements of the Company for the year ended March 31, 2021, the directors to the best of their knowledge and belief hereby confirmed:

- a. that in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b. that the directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2021 and of the profit of the Company for that period;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets

DIRECTORS' REPORT (Contd.)

of the Company and for preventing and detecting fraud and other irregularities;

- d. that the Directors have prepared the annual accounts on a 'going concern' basis;
- e. that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

34. CORPORATE GOVERNANCE

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

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

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2020-21. A declaration to this effect signed by the Chairman & Managing Director of the Company is contained in this Annual Report.

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

35. CMD AND CFO CERTIFICATION

Certificate from Mr. Chirag A. Parekh, Chairman and Managing Director and Mr. Anand Sharma, CFO, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of your Company at its meeting held on May 20, 2021. The Certificate forms part of this Report.

36. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

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

37. HUMAN RESOURCE

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

The function focuses on Leadership Development, Succession Planning and Skills & Competency Development. At Acrysil, the Human Resource function is a business partner that focuses on improving the way of life, work culture, employee engagement, productivity, effectiveness and efficiency. The Company believes in developing an engaged, efficient and committed employee base that is aware and empowered. Employee Engagement Programs are an integral part of the function and are designed in a manner that keeps motivational levels high and they range from competitive sports to celebration festivals, cultural events to recognition through rewarding for exceptional achievement. Company also conducts in-house training programs to develop leadership as well as technical /functional capabilities in order to meet future talent requirements. Industrial relations were cordial throughout the year.

DIRECTORS' REPORT (Contd.)

38. REPORTING OF FRAUDS

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

39. ANNUAL SECRETARIAL COMPLIANCE REPORT

Mr. Pradip Shah of M/s. P. P. Shah & Co., Practicing Company Secretaries, has issued Annual Secretarial Compliance Report pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 which shall cover a broad check on compliance with applicable SEBI Regulations and circulars/ guidelines issued thereunder on annual basis. The said Report has been filed with the Stock Exchanges on May 18, 2021.

40. LISTING

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

Exchange	Scrip Code	ISIN
NSE	ACRYSIL	INE482D01024
BSE	524091	

The listing fees for fiscal 2021 have been paid for all of the above stock exchanges where the equity shares of the Company are listed.

41. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

42. EMPLOYEE STOCK OPTION

Acrysil Limited - Employee Stock Option Plan 2021

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

The synopsis of the Scheme is as under:

- i) Overall limit of 3,00,000 Options
- ii) The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and / or to the directors of the Company, whether whole-time or not and to such other persons as may be decided by the Board and/or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees'), but excluding an Independent Director(s), an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
- iii) Permanent employee(s) and Directors of any existing and future subsidiary company(ies) of the Company whether in or outside India, as may be permissible under the SEBI ESOP Regulations from time to time,
- iv) The Exercise Price shall be Rs.60/- per Equity Share payable at the time of exercise of Options.
- v) The Company sought and received Shareholder's approval for the said Scheme through Postal Ballot on May 3, 2021.

DIRECTORS' REPORT (Contd.)

- vi) Under the Scheme, 2,25,000 Options were granted to eligible employees on May 20, 2021 by the Company at an exercise price of Rs.60/- per option. None of the options granted are vested or exercised as on date.

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

The ESOP-2021 was approved by the Board of Directors and the shareholders vide resolution dated March 18, 2021 and May 3, 2021 respectively. Subsequently, there was an amendment in the ESOP-2021 approved by the Nomination & Remuneration Committee vide resolution dated May 20, 2021 as under:

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

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

43. ACKNOWLEDGEMENTS

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

By order of the Board of Directors
For Acrysil Limited

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

Place: New York
Date: May 20, 2021

Registered Office:

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

Tel.: 022-4015 7817/18

CIN: L26914MH1987PLC042283

Website: www.acrysilcorporateinfo.com

E-mail: cs.al@acrysil.com

ANNEXURE – I

ANNUAL REPORT ON THE CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013

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

1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy.

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

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

2. Composition of CSR Committee:

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

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

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	-	3.03 Lakhs
	TOTAL	-	3.03 Lakhs

- Average net profit of the Company as per section 135(5): **₹1,488.96 Lakhs**
- Two percent of average net profit of the Company as per section 135(5): **₹29.78 Lakhs**
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **₹3.03 Lakhs**
 - Amount required to be set off for the financial year, if any: **₹3.03 Lakhs**
 - Total CSR obligation for the financial year (7a+7b-7c) **₹29.78 Lakhs**

ANNEXURE – I (Contd.)

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

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

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

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

ANNEXURE – I (Contd.)

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

(₹ in Lakhs)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the Project		(6) Amount spent for the Project (in ₹)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Donation of Food grains kit to the poor during National Lockdown due to COVID-19 pandemic	Eradicating Hunger	Yes	Gujarat	Bhavnagar	2.97	No	Rotary Club Society	N.A.
2.	Donation of Foodgrains kit to the poor during National Lockdown due to COVID-19 pandemic	Eradicating Hunger	Yes	Gujarat	Bhavnagar	0.22	Yes	N.A.	N.A.
3.	Donation of ICU Ambulance: Healthcare Project	Health	Yes	Gujarat	Bhavnagar	13.91	No	Ashwanila Charitable Trust	N.A.
4.	Promoting Education	Education	Yes	Gujarat	Bhavnagar	0.10	No	Ashwanila Charitable Trust	N.A.
5.	Shree Prarthana Health and Education Trust towards Corona Relief activity	Eradicating Hunger & Healthcare	Yes	Gujarat	Bhavnagar	5.00	No	Ashwanila Charitable Trust	N.A.
6.	Bhavnagar Medical Association towards purchase of PPE Kit	Health	Yes	Gujarat	Bhavnagar	2.29	No	Ashwanila Charitable Trust	N.A.
7.	Healthcare	Health	Yes	Gujarat	Bhavnagar	8.32	No	Ashwanila Charitable Trust	N.A.
TOTAL						32.81			

ANNEXURE – I (Contd.)

- (d) Amount Spent in administrative overheads: **Nil**
- (e) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e) **32.81 Lakhs.**
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	29.78 Lakhs
(ii)	Total amount spent for the Financial Year	32.81 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.03 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.03 Lakhs

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

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

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

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

ANNEXURE – I (Contd.)

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

For and on behalf of the Board of Director

CHIRAG A. PAREKH

Chairman & Managing Director

(DIN: 00298807)

Date: May 20, 2021

Place: New York

ANNEXURE – II

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

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for 2020-21; and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in 2020-21.

Sr. No.	Name of the Director(s)/ KMP and their designation	Ratio of remuneration of each director to median remuneration of employees	Percentage increase in Remuneration
1	Mr. Chirag A. Parekh Chairman & Managing Director	91.74	10.30
2	Dr. Sonal V. Ambani Independent Director	1.17	13.33
3	Mr. Jagdish R. Naik Independent Director	0.85	(26.00)
4	Mr. Ajit R. Sanghvi Independent Director	1.06	9.52
5	Mr. Rustam N. Mulla* Independent Director	0.89	-
6	Mr. Pradeep H. Gohil Independent Director	1.08	6.82
7	Mr. Anand Sharma Chief Financial Officer	-	(3.41)
8	Mrs. Neha A. Poddar* Company Secretary	-	-

* Remuneration in FY 2021 is not comparable with remuneration received in FY 2020 as the concerned Director/ KMP was only for the part of the previous financial year and hence, not mentioned.

- iii. The Median Remuneration of Employees of the Company is ₹ 2.18 Lakhs for 2020-21. There is a decrease of 9.62% in the Median Remuneration of Employees during the previous financial year since the no. of employees in the workers category has increased.
- iv. The Company has 365 permanent employees on its rolls as on March 31, 2021.
- v. The Average percentage increase made in the salaries of employees other than the managerial personnel for 2020-21 was 12.24% whereas the increase in the managerial remuneration for the same financial year was 10.30%.
- vi. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

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

Notes:

- Independent Directors are paid only Sitting Fees.

ANNEXURE – III

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

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

To,
The Members,
Acrysil Limited

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

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**;
 6. There are no other laws specifically applicable to the industry to which the Company belongs as identified by the management.
- We have also examined compliance with the applicable clauses of the following:

ANNEXURE – III (Contd.)

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

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

We further report that

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

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and

operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

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

We further report that on 18th March, 2021, the Board of Directors of the Company has passed resolutions for issue of Employee Stock Options under "Acrysil Limited-Employee Stock Option Plan 2021" to employees and Directors (excluding Independent Directors) of the Company and its subsidiary. The Company is in the process of completing other formalities in relation to issue of Employee Stock Options.

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

**Pradip Shah
Partner**

Date: 20th May, 2021
Place: Mumbai

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

ANNEXURE – III (Contd.)

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Acrysil Limited

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

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

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

**Pradip Shah
Partner**

Date: 20th May, 2021
Place: Mumbai

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

ANNEXURE – IV

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo

A. Conservation of Energy

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

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

B. Technology absorption and research & development

○ Research and Development

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

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

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

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

- a) Introduction of new model for domestic market as well as export market.
- b) Developed cost effective packaging for some particular model of sinks for global market.
- c) Continuous innovation in product design and quality.

- d) Innovate and improve process capability, attain global benchmarks carried out by the Company, consistent focus on the operational excellence.
- e) Development of a new and innovative and an unconventional raw material initiated at R & D sometimes back has been completed successfully with promising result.
- f) Design and development of special products as per evolving technical standards in the industry as well as specific to the requirement of certain export market.
- g) Fine tuning of design parameters based on in-depth discussions and evaluation of customers feedback on product quality for enhanced variety of applications.
- h) Continue to adopt innovation and emerging technologies as future growth drivers and improvement of existing products.
- i) Explore the possibilities to bring automation in process for improving the productivity and reducing the cost.

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

- a) Enhanced flexibility and agile manufacturing keeping abreast of the changing of the above R&D needs of customers, launching of new products including line extensions of existing products which were developed by using in-house R&D capabilities, marked improvement in productivity and overall operating efficiencies besides consistency/stability in products.
- b) Leveraging the core technological expertise that the Company has acquired over the years in order to stimulate demand by developing and offering innovative quality new products.
- c) Alignment of products meeting enhanced applications by modifying technical specifications and manufacturing processes.
- d) Improvement in quality, productivity, cost effectiveness & packaging.
- e) Precise machining and better quality of products.

ANNEXURE – IV (Contd.)

f) Certification is ISO 9001: 2015, ISO 14001:2015, ISO 45001:2018 - 18001:2007 for Quality, Environment, Health.

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

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

3. Future Plan of Action

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

4. Expenditure on R & D for the year 2020-2021

(₹ in Lakhs)

a.	Capital	-
b.	Recurring	27.56
c.	Total R & D Expenditure (a+b)	27.56
d.	R & D and innovation expenditure as a percentage of total turnover	0.11%

○ Technology absorption, adoption and innovation

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

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

iii) Collaboration with technological institutes and technical experts to incorporating innovative ideas in to product and process.

iv) Constant monitoring of process and technology up gradation taking place in advance countries and to offer similar products through in-house R & D as well as through progressive manufacturing activities.

v) The Company absorbs and adapts the technologies on a continuous basis to meet its specific product needs from time to time.

vi) Development of process of improving its quality control methods & testing facilities.

vii) Analysing feedback from end users to improve quality of products.

viii) Constant efforts are made to improve and upgrade the new technology for higher productivity, to achieve better quality & reduce cost.

ix) Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.

x) Technology support to all overseas subsidiaries to improve efficiency and enable business growth.

b) Benefits derived as a result of above efforts.

i) Central to maintaining competitiveness is the ability of producers to respond quickly and effectively to the changing demands of the international market.

ii) Development of value-added products, improvement quality and cost optimisation efforts surely translate into a competitive edge in the market place overall impacting brand of the Company.

ANNEXURE – IV (Contd.)

- iii) Integration of human & technical resources to enhance workforce performance and satisfaction.
- iv) Enhancing quality focus and customer orientation.
- v) Initiatives on lean practices by implementing Goal Setting and training to workmen.
- vi) Re-engineering core processes to dramatically improve efficiency and drive business value.
- vii) Upgrading manufacturing technology levels.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Information on activities relating to exports, initiatives taken to increase exports, etc. are covered in the Management Discussion and Analysis in this annual report.

2. Foreign Exchange Earnings and Outgo:

		(₹ in Crores)	
Foreign Exchange Earnings & Outgo		FY 2020-21	FY 2019-20
a.	Foreign Exchange Earned	173.34	134.26
b.	Foreign Exchange used	52.69	54.85

For and on behalf of the Board of Director

CHIRAG A. PAREKH

Date: May 20, 2021

Chairman & Managing Director

Place: New York

(DIN: 00298807)

ANNEXURE – V

Disclosure under Section 62 of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014 forming part of the Directors' Report for the year ended March 31, 2021

A. Details related to Employees' Stock Option Scheme

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

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

- ii. Option movement during the year 2020-21

Particulars	ESOP-2021
Number of options outstanding as on April 1, 2020	Nil
Number of options granted during year	Nil
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Options outstanding as on March 31, 2021	Nil
Options exercisable as on March 31, 2021	Nil
Variation of terms of options	Nil

B. Employee-wise details of options granted during the year:

Sl. No.	Name of employee	Designation	No. of options granted during the year	Exercise price
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During the year, there was no options granted

CORPORATE GOVERNANCE REPORT

The Board of Directors present the Company's Report on Corporate Governance pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended for the year ended March 31, 2021.

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

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

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

BEST CORPORATE GOVERNANCE POLICIES

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

- i) All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Company's Board of Directors.

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

2. BOARD OF DIRECTORS

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

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

i) COMPOSITION OF THE BOARD

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent director and more than fifty per cent of the Board of Directors comprised of Non-Executive Directors. The Board comprises of six Directors as on March 31, 2021 of which one is Managing Director and five are Independent Non-Executive Directors (83.33% of the Board strength), with diverse experience in different areas. The Company does not have any Nominee Director appointed by Financial Institutions. None of the Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

All Independent Directors of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board.

CORPORATE GOVERNANCE REPORT (Contd.)

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

The following table provides the attendance record at the Board Meeting and Annual General Meeting of the Company during the financial year 2020-21 and directorships, memberships and chairmanships in other public limited companies at the end of the financial year 2020-21 as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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

Name of the Director	Category	Expertise in specific Functional Area	No. of Board Meetings attended during the year 2020-21	Attendance at the last AGM	No. of directorships in other public companies #	No. of Committees & positions held in other public companies		List of Directorship held in other listed companies and category of directorship
						Membership	Chairmanship	
Mr. Chirag A. Parekh (DIN No: 00298807)	Promoter-Executive Chairman & Managing Director	Business Administration, Finance & Marketing	7	Yes	3	NIL	NIL	NIL
Dr. Sonal V. Ambani (DIN No: 02404841)	Independent Non-Executive Director	Business Management & Marketing & Finance	7	Yes	4	3	1	1 Independent Non-Executive Director
Mr. Jagdish R. Naik (DIN No: 00030172)	Independent Non-Executive Director	Finance	6	Yes	1	NIL	NIL	NIL
Mr. Ajit R. Sanghvi (DIN No: 00340809)	Independent Non-Executive Director	Finance	7	Yes	NIL	NIL	NIL	NIL
Mr. Pradeep H. Gohil (DIN No: 03022804)	Independent Non-Executive Director	Chemical Engineering	7	Yes	2	NIL	NIL	NIL
Mr. Rustam N. Mulla (DIN No: 00328070)	Independent Non-Executive Director	Legal	6	No	NIL	NIL	NIL	NIL

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

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

Skills/ Expertise/ Competencies of the Board of Directors

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

CORPORATE GOVERNANCE REPORT (Contd.)

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

ii) MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2020-21, 7 (Seven) meetings of its Board of Directors were held during the year on the following dates. The maximum time gap between any two consecutive meetings was less than 120 days.

June 01, 2020	June 12, 2020	August 12, 2020	March 18, 2021
September 28, 2020	November 05, 2020	February 05, 2021	

The necessary quorum was present for all the meetings.

During the year 2020-21, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

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

The Board at its meetings reviews various management aspects such as performance of the Company, business plans, annual budgets, capex plans, appointment / remuneration of

senior management, general economic conditions, functioning of foreign subsidiaries, foreign exchange exposures, details of investor grievances and major legal issues.

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

iii) FAMILIARISATION PROGRAMME

The Company familiarizes its Independent Directors pursuant to the requirements of Regulation 25 of Listing Regulations with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, product portfolio, Industry overview, manufacturing operations, internal control system and processes, FOREX management, risk management framework, functioning of various divisions, HR Management, CSR activities etc. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9390FamiliarisationProgrammeforIndependentdirectors.pdf>.

CORPORATE GOVERNANCE REPORT (Contd.)

iv) NO. OF SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2021

Statement showing number of equity shares of the Company held by the Non-Executive Directors as on March 31, 2021.

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

3. COMMITTEES OF THE BOARD

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

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

The details of the Committees are set out below.

i) AUDIT COMMITTEE

The Company has constituted a well-qualified and Independent Audit Committee as required under Section 177 of the Companies Act, 2013 as also in fulfilment of the requirements of Regulations 18 of the Listing Regulations. The primary objective

of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

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

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

- i. overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. reviewing and examining with management the quarterly financial results before submission to the Board;
- iii. reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;

CORPORATE GOVERNANCE REPORT (Contd.)

- (g) modified opinion(s) in the draft audit report;
- iv. scrutiny of inter-corporate loans and investments made by the Company;
- v. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter;
- vi. reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- vii. approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- viii. recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- ix. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- x. reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- xi. reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xii. discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- xiii. reviewing with management, Statutory Auditors and Internal Auditors, the adequacy of internal control systems;
- xiv. recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- xv. reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- xvi. evaluating internal financial controls and risk management systems;
- xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. valuating 'undertaking or assets' of the Company, wherever it is necessary;
- xix. reviewing the functioning of the Whistle Blower mechanism;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- xxi. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary;
- xxii. Review of Management discussion and analysis of financial condition and results of operations; and
- xxiii. Statement of deviations:
 - a. Quarterly statement of deviations(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in the terms of Regulation 32(7).

CORPORATE GOVERNANCE REPORT (Contd.)

b) COMPOSITION

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

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Jagdish R. Naik	Independent Non- Executive	Chairman	5	4
Mr. Chirag A. Parekh	Promoter- Executive	Member	5	5
Dr. Sonal V. Ambani	Independent Non- Executive	Member	5	5
Mr. Ajit R. Sanghvi	Independent Non- Executive	Member	5	5
Mr. Pradeep H. Gohil	Independent Non- Executive	Member	5	5
Mr. Rustam N. Mulla*	Independent Non- Executive	Member	5	5

*Mr. Rustam N. Mulla was appointed as a member of the Audit Committee w.e.f. June 12, 2020.

c) MEETINGS HELD

The Committee met 5 (five) times during the financial year 2020-21 on the following dates:

June 12, 2020	August 12, 2020	November 05, 2020
February 05, 2021	March 18, 2021	

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

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

ii) NOMINATION AND REMUNERATION COMMITTEE

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

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

a) TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

i. Formulation of criteria for determining qualifications, positive attributes and

independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;

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

b) COMPOSITION

The Nomination and Remuneration Committee comprises of 5 (Five) Non-Executive Directors,

CORPORATE GOVERNANCE REPORT (Contd.)

the Chairman being Non-Executive and Independent. The Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of the Nomination and Remuneration Committee as well as the particulars of attendance at the Nomination and Remuneration Committee Meetings is as under.

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradeep H. Gohil	Independent – Non- Executive	Chairman	2	2
Dr. Sonal V. Ambani	Independent – Non- Executive	Member	2	2
Mr. Jagdish R. Naik	Independent – Non- Executive	Member	2	2
Mr. Ajit R. Sanghvi	Independent – Non- Executive	Member	2	2
Mr. Rustam Mulla*	Independent – Non- Executive	Member	2	2

*Mr. Rustam Mulla was appointed as a member of the Nomination & Remuneration Committee w.e.f. June 12, 2020.

c) MEETINGS HELD

The Committee met 2 (two) times during the financial year 2020-21 on the following dates:

August 12, 2020	March 18, 2021
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d) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

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

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

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

e) Nomination and Remuneration Policy:

i) Remuneration to Non-Executive Directors:

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

ii) Remuneration to Executive Directors:

The appointment and remuneration of Chairman and Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolution passed by the Board of Directors and shareholders of the Company. The break-up of the pay scale, performance bonus / commission and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders wherever required. Annual

CORPORATE GOVERNANCE REPORT (Contd.)

increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The Nomination and Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

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

Details of Remuneration paid during the Financial Year 2020-21:

The remuneration paid by Company to Mr. Chirag A. Parekh, Chairman & Managing Director during the financial year 2020-21 is ₹200.00 Lakhs p.a.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

The details of remuneration paid to Non-Executive Directors during the Financial Year 2020-21 are as given below:

(₹in Lakhs)	
Name of Directors	Sitting Fees (in ₹)
Dr. Sonal V. Ambani	2.55
Mr. Jagdish R. Naik	1.85
Mr. Ajit R. Sanghavi	2.30
Mr. Rustam N. Mulla	1.95
Mr. Pradeep H. Gohil	2.35

iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

by the secretarial department and status thereof is also placed before the Stakeholders' Relationship Committee Meeting which meets at quarterly intervals.

a) TERMS OF REFERENCE OF STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CORPORATE GOVERNANCE REPORT (Contd.)

b) COMPOSITION

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

Name of the Directors	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ajit R. Sanghvi	Independent- Non-Executive Director	Chairman	4	3
Mr. Chirag A. Parekh	Promoter- Executive	Member	4	4
Dr. Sonal V. Ambani	Independent- Non-Executive Director	Member	4	4
Mr. Jagdish R. Naik	Independent-Non-Executive Director	Member	4	4

c) MEETINGS HELD

The Committee met 4 (four) times during the financial year 2020-21 on the following dates:

June 12, 2020	August 12, 2020	November 05, 2020	February 05, 2021
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d) DETAILS OF SHAREHOLDERS COMPLAINTS DURING 2020-21:

The status of investor grievances received during the financial year 2020-21 is as follows:

No. of Complaints pending as on April 1, 2020:	Nil
No. of Complaints / queries received during the year:	05
No. of Complaints resolved during the year:	05
No. of Complaints pending as on March 31, 2021	Nil

iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company under 'Company Policies' in the 'Investor Relation' section.

a) TERMS OF REFERENCE OF CSR COMMITTEE

- Formulating and recommending to the Board, the CSR policy and indicating activities to be undertaken;
- Decide the CSR Projects or Programs to be taken up by the Company either directly or through registered trust or registered society or a Company established by the Company or its holding or subsidiary or associate Company under Section 8 of the Act or otherwise;
- Place before the Board the CSR projects or programs proposed to be taken up by the Company for approval, each year;
- Define and monitor the Budgets for the carrying out the Projects or Programs;
- Recommending the amount of expenditure for the CSR activities;

CORPORATE GOVERNANCE REPORT (Contd.)

- vi. Oversee the progress of the CSR Projects or Programs rolled out under this Policy as may be required;
- vii. Submit a Report to the Board on all CSR Activities undertaken during the Financial Year; and
- viii. Monitor and Review the implementation of the CSR Policy.

b) COMPOSITION

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

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

c) MEETINGS HELD

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

June 12, 2020	August 12, 2020	November 05, 2020	February 05, 2021
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v) INDEPENDENT DIRECTORS' MEETING

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

During the year under review, the Independent Directors met on March 18, 2021, inter alia, to:

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

CORPORATE GOVERNANCE REPORT (Contd.)

vi) GENERAL MEETINGS

a. Annual General Meetings:

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

Year	Location	Day/date	Time	Details of Special Resolution
2017-18	Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Oricon House, 6th Floor, Maharashtra Chamber of Commerce Lane, Kala Ghoda, Fort, Mumbai, Maharashtra- 400 001	Thursday, September 27, 2018	03:30 P.M.	No Special Resolution was passed.
2018-19	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra – 400020	Friday, September 13, 2019	03:30 P.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Chirag A. Parekh (DIN No.: 00298807) as a Chairman and Managing Director of the Company. 2. Re-appointment of Mr. Jagdish R. Naik (DIN No.: 00030172) as an Independent Director of the Company. 3. Re-appointment of Mr. Pradeep H. Gohil (DIN No.: 03022804) as an Independent Director of the Company. 4. Re-appointment of Mr. Ajit R. Sanghvi (DIN No: 00340809) as an Independent Director of the Company.
2019-20	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Monday, September 28, 2020	03:30 P.M.	<ol style="list-style-type: none"> 1. Re-appointment of Dr. Sonal V. Ambani (DIN: 02404841) as an Independent Director of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

b. Extra Ordinary General Meeting:

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

Year	Location	Day/date	Time	Details of Special Resolution
2017-18	No extra ordinary general meeting held during the year			
2018-19	The Mirador, Link Road, Chakala, Andheri East, Mumbai, Maharashtra 400 099	Wednesday, May 9, 2018	03.00 PM	1. Issue of Convertible Warrants on preferential basis.
2018-19	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400020	Friday, December 21, 2018	01.00 PM	1. Sub-division of Face Value of Equity Shares of the Company; 2. Alteration of the Capital Clause in the Memorandum of Association.
2019-20	No extra ordinary general meeting held during the year			

c. Resolution passed through Postal Ballot:

During the year none of the business was transacted through Postal Ballot.

4. DISCLOSURES:

(i) Compliances with Governance Framework

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

(ii) Related Party Transactions

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

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

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

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

(iii) Prevention of Sexual Harassment at workplace Policy

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

CORPORATE GOVERNANCE REPORT (Contd.)

All women employees (permanent, contract, temporary, trainees) are covered under the policy. Internal Complaints Committee has been set up to receive complaints, investigate the matter and report to the management for Redressal of complaints of sexual harassment. During the year under review, no complaints were received by the committee.

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

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

(v) Vigil Mechanism / Whistle Blower Policy

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

The Company has institutionalised a Vigil Mechanism for the Stakeholders to disclose their concerns and grievances on unethical behaviour and improper / illegal practices and wrongful conduct taking place in the Company for appropriate action through the adoption of a Whistle Blower Policy as per Section 177(9) and (10) and Regulation 22 of Listing Regulations. Pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further the mechanism adopted by the Company

encourages the employees and Directors of the Company to report genuine concerns or grievances and provides for adequate safeguards against victimisation of employees and directors who avail of such mechanism in Good Faith and any Stakeholder assisting the investigation and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases.

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

(vi) Disclosure of Accounting Treatment

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

(vii) Commodity price risk and Commodity hedging activities

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

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

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

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

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

CORPORATE GOVERNANCE REPORT (Contd.)

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

Not Applicable

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

Details relating to fees paid to the Statutory Auditors are given in Note No.29 to the Standalone Financial Statements and Note No.27 to the Consolidated Financial Statements.

- (xii) **Non-mandatory requirements**

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

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

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

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

a. The Board

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

b. Shareholders Right

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

c. Modified opinion(s) in Audit Report

There are no modified opinions in audit report.

d. Reporting of an Internal Auditor

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

(xiv) Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Directors & Senior Management ('the Code'). The Code is applicable to the members of the Board and senior executive officers of the Company. The Code is available on the website of the Company and at the link <http://www.acrysilcorporateinfo.com/public/upload/pdf/94151.%20Code%20of%20Conduct%20for%20Directors%20&%20Senior%20Management.pdf>.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2020-21. A declaration to this effect in terms of Regulation 26 of the SEBI Listing Regulations forms part of the Annual Report.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code for Prevention of Insider Trading as required under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company.

(xv) CMD /CFO Certification

As required under Regulation 17(8) of the SEBI Listing Regulations, the Chairman & Managing Director and the Chief Financial Officer of the Company have certified regarding the Financial Statements for the year ended March 31, 2021, which is annexed to this Report.

CORPORATE GOVERNANCE REPORT (Contd.)

(xvi) Reconciliation of Share Capital Audit

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

(xvii) Compliance with Secretarial Standards

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

(xviii) MEANS OF COMMUNICATION

Financial Results:

- The Company publishes limited reviewed unaudited financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.
- The unaudited quarterly and summarised audited annual results of the Company are generally published in the dailies published from Mumbai viz. Economic Times (English), Business Standard (English) and Mumbai Lakshdweep (Marathi).
- The financial results and the official news releases are also placed on the Company's website www.acrysilcorporateinfo.com in the 'Investor Relations' section.
- Presentations made to institutional investors or to the analysts.
- Management Discussion and Analysis forms part of the Annual Report.

(xix) GENERAL SHAREHOLDER INFORMATION

a. 34th Annual General Meeting

AGM	-	34 th Annual General Meeting
Date	-	September 22, 2021
Time	-	03.30 P.M.
Venue	-	Video Conferencing / Other Audio Visual Means

b. Financial Year- April 01, 2021 to March 31, 2022

First Quarter Results	By second week of August, 2021
Half Yearly results	By second week of November, 2021
Third quarter results	By second week of February, 2022
Results of year end	By end of May, 2022

c. Dates of Book Closure: September 10, 2021 to September 14, 2021.

d. Dividend payment date: The proposed dividend, if approved at the ensuing Annual General Meeting will be distributed before October 10, 2021.

e. Listing on Stock Exchange:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code: 524091	National Stock Exchange of India Limited* Exchange Plaza, Plot No. C/1 'G' Block, Bandra – Kurla Complex Bandra East, Mumbai 400 051 Trading Symbol: ACRYSIL
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* The Company got its Equity Shares listed on the National Stock Exchange of India Limited w.e.f. January 14, 2021.

The Company has paid Listing Fees for the year 2020-21 to the Stock Exchanges.

ISIN: INE482D01024

CORPORATE GOVERNANCE REPORT (Contd.)

f. Market Price Data:

The monthly high and low price and volume of shares traded during the year 2020-21 on the BSE Limited:

Month	BSE Limited		
	High (₹)	Low (₹)	Volume of Shares traded during the month (Nos.)
April, 2020	73.35	54.85	80,386
May, 2020	69.00	58.75	1,01,772
June, 2020	88.50	66.00	3,06,305
July, 2020	85.60	69.05	6,26,563
August, 2020	129.00	82.65	13,75,322
September, 2020	123.00	96.10	6,80,502
October, 2020	136.00	101.30	46,04,504
November, 2020	191.85	124.65	30,49,714
December, 2020	193.45	160.85	22,16,105
January, 2021	210.00	175.50	16,18,413
February, 2021	334.70	184.70	18,57,098
March, 2021	377.50	303.55	6,44,632

The monthly high and low price and volume of shares traded during the year 2020-21 on the National Stock Exchange of India Limited:

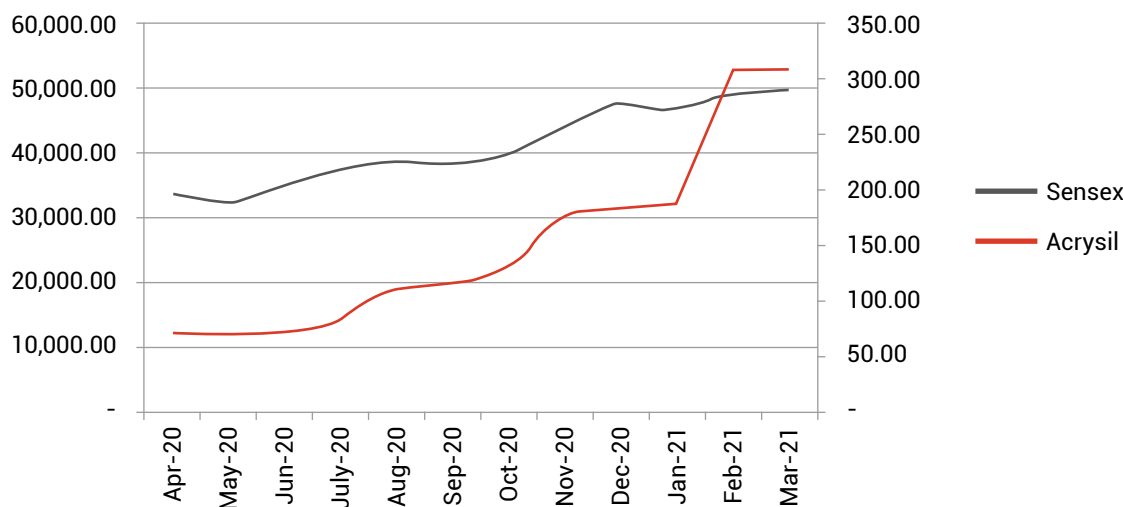
Month	National Stock Exchange of India Limited*		
	High (₹)	Low (₹)	Volume of Shares traded during the month (Nos.)
April, 2020	--	--	--
May, 2020	--	--	--
June, 2020	--	--	--
July, 2020	--	--	--
August, 2020	--	--	--
September, 2020	--	--	--
October, 2020	--	--	--
November, 2020	--	--	--
December, 2020	--	--	--
January, 2021	204.00	181.25	4,32,317
February, 2021	332.10	184.25	26,72,864
March, 2021	376.70	304.00	22,30,363

* The Company got its Equity Shares listed on the National Stock Exchange of India Limited w.e.f. January 14, 2021.

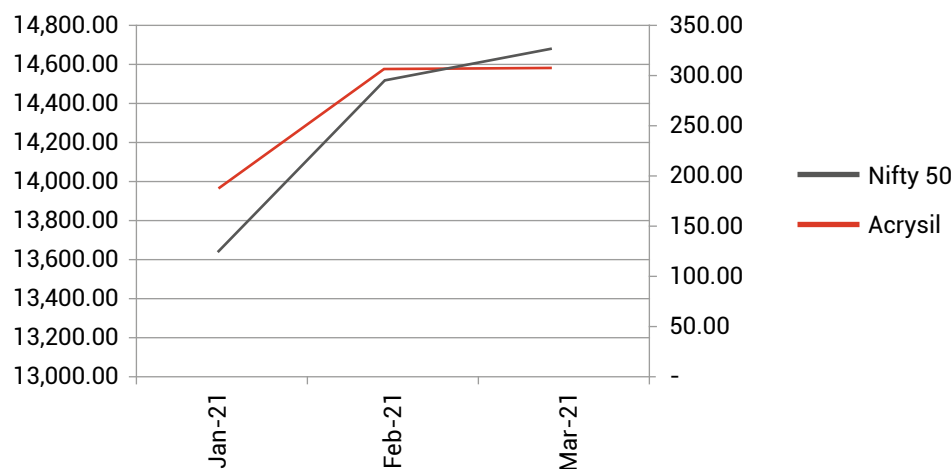
CORPORATE GOVERNANCE REPORT (Contd.)

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

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended March 31, 2021 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on *National Stock Exchange of India Limited vis-à-vis the movement of the NSE Nifty for the financial year ended March 31, 2021 (based on month end closing):



* The Company got its Equity Shares listed on the National Stock Exchange of India Limited w.e.f. January 14, 2021.

CORPORATE GOVERNANCE REPORT (Contd.)

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

i. Registrar and Transfer Agents

Bigshare Services Private Limited
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri (East), Mumbai - 400059,
 Maharashtra - Tel: 022 62638200
 E-mail: investor@bigshareonline.com

j. Share Transfer System

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

k. Nomination facility for shareholding

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

l. Distribution of Shareholdings as on March 31, 2021

Category (Shares)	No. of Shareholders	% of shareholders	No. of Shares	% of Shareholding
1-500	11,295	79.85	12,48,367	4.68
501-1000	1239	8.76	9,29,778	3.48
1001-2000	759	5.37	10,96,723	4.11
2001-3000	315	2.23	7,91,284	2.96
3001-4000	124	0.88	4,51,438	1.69
4001-5000	85	0.60	3,91,466	1.47
5001-10000	158	1.12	11,12,665	4.17
10001 & Above	168	1.19	2,06,73,159	77.44
TOTAL	14,143	100.00	2,66,94,880	100.00

m. Shareholding Pattern of Equity Shares as on March 31, 2021

Category	No. of Shareholders	No. of Shares held	% of total paid up
Promoters	8	1,17,56,750	44.04
Mutual Funds	1	54,850	0.21
Financial Institutions /Banks	1	500	0.00
Foreign Portfolio Investors	3	8,325	0.03
Bodies Corporate	97	7,22,233	2.71
Clearing Member	85	1,47,577	0.55

CORPORATE GOVERNANCE REPORT (Contd.)

Category	No. of Shareholders	No. of Shares held	% of total paid up
Director or Director's Relatives	8	1,91,900	0.72
Non-Resident Indians (NRI)	573	5,82,204	2.18
Alternative Investment Fund	1	17,22,338	6.45
Public	13,364	1,10,28,140	41.32
IEPF	1	3,85,383	1.44
Unclaimed Suspense Account	1	94,680	0.35
TOTAL	14,143	2,66,94,880	100.00

n. Dematerialisation of Shares and Liquidity

97.18% of the Company's share capital is held in dematerialised form as on March 31, 2021. The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. The break-up of equity shares held in Physical and dematerialised form as on March 31, 2021, is given below:

Category	No. of Shares	Percentage
NSDL	2,21,11,779	82.83
CDSL	38,31,631	14.35
Physical	7,51,470	2.82
Total	2,66,94,880	100.00

o. Address of Registrar for Dematerialisation of Shares.

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400059
Maharashtra - Tel: 022 62638200
E-mail: investor@bigshareonline.com

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

q. Factory:

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

r. Address for correspondence with the Company:

Registered Office:
Acrysil Limited
B-307, Citi Point, 3rd Floor,
J.B. Nagar, Andheri Kurla Road,
Andheri East, Mumbai – 400059
Contact No: 022 – 40157817/18/19
Email id: cs.al@acrysil.com

s. Registrar and Transfer Agents (RTA):

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400059,
Maharashtra. Tel: 022 62638200
E-mail: investor@bigshareonline.com

t. Credit Ratings

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by ICRA Limited during the Financial Year 2020-2021 as given below:

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

Credit Rating of the Company has been upgraded by ICRA Limited on September 09, 2020.

CORPORATE GOVERNANCE REPORT (Contd.)

u. Unpaid and Unclaimed Dividends:

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

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

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

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of

seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

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

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

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

w. Details of Unclaimed/unpaid Dividend as on March 31, 2021 and due dates for transfers are as follows:

Sr. No.	Financial Year	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF
1.	2013-14	Sept 24, 2014	6,65,060.00	Nov 26, 2021
2.	2014-15	Sept 25, 2015	6,30,984.00	Nov 27, 2022
3.	2015-16	Sept 24, 2016	8,47,710.00	Nov 26, 2023
4.	2016-17	Sept 20, 2017	8,36,895.00	Nov 22, 2024
5.	2017-18	Sept 27, 2018	7,37,410.00	Nov 29, 2025
6.	2018-19	Sept 13, 2019	7,13,607.60	Nov 15, 2026
7.	2019-20	Sept 28, 2020	5,89,460.20	Dec 10, 2027
8.	2020-21	Feb 05, 2021	3,99,493.60	April 29, 2028

During the Year under review, the Company has transferred Unclaimed Dividend of ₹4,93,011/- to Investor Education and Protection Fund which was declared in Financial Year 2012-2013.

CORPORATE GOVERNANCE REPORT (Contd.)

As per Regulation 34(3) read with Schedule V of the listing Regulations, 94,680 shares of the Company is lying in the Suspense Account.

5. EMPLOYEE STOCK OPTION SCHEME

Acrysil Limited - Employee Stock Option Plan 2021

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

The synopsis of the Scheme is as under:

- i) Overall limit of 3,00,000 Options
- ii) The Scheme is extended to Permanent employees of the Company, whether working in India or outside India, and / or to the directors of the Company, whether whole-time or not and to such other persons as may be decided by the Board and/or permitted under SEBI ESOP Regulations (hereinafter referred to as 'Eligible Employees'), but excluding an Independent Director(s), an employee who is a promoter or a person belonging to the promoter group and the director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more

than 10% of the outstanding equity shares of the Company.

- iii) Permanent employee(s) and Directors of any existing and future subsidiary company(ies) of the Company whether in or outside India, as may be permissible under the SEBI ESOP Regulations from time to time,
- iv) The Exercise Price shall be Rs.60/- per Equity Share payable at the time of exercise of Options.
- v) The Company sought and received Shareholder's approval for the said Scheme through Postal Ballot on May 3, 2021.
- vi) Under the Scheme, 2,25,000 Options were granted to eligible employees on May 20, 2021 by the Company at an exercise price of Rs.60/- per option. None of the options granted are vested or exercised as on date.

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Acrysil Limited Code of Business Conduct and Ethics for the year ended March 31, 2021.

For Acrysil Limited

CHIRAG A. PAREKH

Date: May 20, 2021

Place: New York

Chairman & Managing Director

(DIN: 00298807)

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

To
The Board of Directors,
Acrysil Limited

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

We hereby certify for the financial year ended March 31, 2021 that: -

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

For Acrysil Limited

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

ANAND SHARMA
Chief Financial Officer

New York
May 20, 2021

Mumbai
May 20, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Acrysil Limited
B-307, Citipoint, Andheri Kurla Road,
J. B. Nagar, Andheri (E), Mumbai – 400 059

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

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

Pradip Shah

For P. P. Shah & Co.,
Practicing Company Secretaries
FCS No. 1483, C P No.: 436
UDIN: F001483C000008644

Place: Mumbai
Date: April 2, 2021

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
ACRYSIL LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **Acrysil Limited** ("the Company") for the year ended 31st March, 2021 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

Managements' Responsibility

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

Auditors' Responsibility

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2021.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

ASHISH DAVE
Partner

Bhavnagar
May 20, 2021

Membership No. 170275
UDIN: 21170275AAAACT1689

INDEPENDENT AUDITOR'S REPORT

To the Members of,
ACRYSIL LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **Acrysil Limited** ("the Company") which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and of the profit and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

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

Key Audit Matter:

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

Auditor's Response:

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

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

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management

INDEPENDENT AUDITOR'S REPORT (Contd.)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosure, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss including other comprehensive Income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms section 164(2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
 - g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 21170275AAAABX7791

Bhavnagar
May 20, 2021

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 fixed assets.
 - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the Company.
- 2 The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.
- 3 The Company has granted loans to companies covered in the register maintained under section 189 of the Act. Since no terms and conditions of these loans, except for charging of interest, are stipulated, we cannot offer any comments as to the payment of interest, repayment of principal amount or overdue amounts, if any.
- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
- 5 The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods & Service Tax and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
 - b. There are no amounts outstanding, which have not been deposited on account of dispute.
- 8 The Company has not defaulted in repayment of loans or borrowing to banks. The Company has not obtained any borrowings from any financial institutions or government or by way of debentures.
- 9 Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).
- 10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- 11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.
- 16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 21170275AAAABX7791

Bhavnagar
May 20, 2021

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)

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Acrysil Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note issued by the ICAI.

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

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 21170275AAAABX7791

Bhavnagar
May 20, 2021

BALANCE SHEET

AS AT MARCH 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	10,485.87	8,381.78
Right of use assets	3	495.15	142.12
Capital work in progress	2	968.39	645.77
Other intangible assets	4	182.99	169.03
Financial assets			
Investments	5	1,407.51	1,407.51
Loans	6	242.98	216.61
Other financial assets	7	115.96	140.37
Other non-current assets	8	663.10	332.21
		14,561.95	11,435.40
Current Assets			
Inventories	9	3,897.56	4,207.05
Financial assets			
Investments		-	-
Trade receivables	10	6,085.19	5,094.33
Cash and cash equivalents	11	230.33	133.23
Other bank balances	12	1,225.53	1,347.56
Loans	6	10.89	7.23
Other financial assets	7	1,730.66	1,043.16
Current tax assets (net)	13	2,853.28	2,019.89
Other current assets	8	1,593.32	1,213.95
		17,626.76	15,066.40
Total Assets		32,188.71	26,501.80
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	14	533.90	533.90
Other equity	15	14,610.12	12,499.71
		15,144.02	13,033.61
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	1,620.69	1,181.13
Other financial liabilities	17	458.33	48.43
Provisions	18	54.36	43.30
Deferred tax liabilities (net)	19	481.33	279.21
Other non-current liabilities	20	-	-
		2,614.71	1,552.07
Current liabilities			
Financial Liabilities			
Borrowings	16	7,016.50	6,505.96
Trade payables	21		
Total outstanding dues of Micro and Small Enterprises		741.06	423.35
Total outstanding dues of creditors other than Micro and Small Enterprises		2,377.43	1,585.02
Other financial liabilities	17	879.40	892.64
Other current liabilities	20	414.39	302.21
Provisions	18	97.37	72.79
Current tax (net)	13	2,903.83	2,134.15
		14,429.98	11,916.12
Total Liabilities		32,188.71	26,501.80

The accompanying notes are integral part of these financial statements.

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	₹ in Lakhs	
		2020-2021	2019-2020
REVENUE:			
Revenue from operations (net)	22	24,834.13	21,437.31
Other income	23	728.98	498.66
Total revenue		25,563.11	21,935.97
EXPENSES:			
Cost of materials consumed	24	8,902.93	8,417.04
Purchases of stock-in-trade		1,649.04	1,796.46
Changes in inventories	25	469.75	158.59
Employee benefits expenses	26	1,601.46	1,674.48
Finance costs	27	639.83	777.13
Depreciation and amortisation expenses	28	1,157.57	1,092.22
Other expenses	29	7,266.07	6,199.05
Total expenses		21,686.65	20,114.97
Profit before exceptional items and tax		3,876.46	1,821.00
Exceptional Items		-	-
Profit before tax		3,876.46	1,821.00
Tax expenses			
Current tax	13	999.58	560.00
Earlier years' tax		5.95	5.47
Deferred tax		208.29	(23.60)
Profit for the year		2,662.64	1,279.13
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit liabilities/(asset)		(24.50)	(30.67)
b. Tax impacts on above		6.17	7.72
Items that may be reclassified to profit or loss			
Other comprehensive income for the year		(18.33)	(22.95)
Total comprehensive income for the year		2,644.31	1,256.18
Basic and diluted earning per share	30	9.97	4.86
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

			(₹ in Lakhs)	
Particulars	2020-2021		2019-2020	
A Cash flow from operating activities:				
Net profit for the year		2,662.64		1,279.13
Adjustments for -				
Depreciation	1,157.57		1,092.22	
Income tax expenses	1,213.82		541.87	
Impairment loss recognised on trade receivables	525.35		199.03	
Loss on disposal of property, plant & equipments	(1.46)		-	
Interest income	(134.04)		(80.62)	
Finance cost	639.83	3,401.07	777.13	2,529.63
Operating Profit Before Working Capital Changes		6,063.71		3,808.76
Movements in working capital:				
Trade and other receivables	(2,087.32)		(1,220.30)	
Other current and non-current assets	(710.27)		329.93	
Inventories	309.49		(255.64)	
Provisions	11.14		18.79	
Other current and non-current liabilities	112.18		79.54	
Trade and other payables	1,151.91	(1,212.87)	(133.99)	(1,181.67)
Cash generated from operations		4,850.84		2,627.09
Income tax paid	(1,069.24)	(1,069.24)	(576.10)	(576.10)
Net cash generated by operating activities		3,781.60		2,050.99
B Cash flow from investing activities:				
Payments for property, plant and equipment		(3,541.57)		(1,641.57)
Sale of property, plant and equipment		63.10		-
Interest received		134.04		80.62
Net cash (used in)/generated from investing activities		(3,344.43)		(1,560.95)
C Cash flow from financing activities:				
Proceeds from borrowings		439.56		18.07
Repayments of borrowings		510.54		(10.84)
Proceeds from issue of equity shares		-		618.75
Interest paid		(639.83)		(777.13)
Repayment of lease liabilities		(121.35)		(151.95)
Dividend paid		(528.99)		(308.46)
Net cash used in financing activities		(340.07)		(611.56)
Net increase in cash and cash equivalents		97.10		(121.52)
Cash and cash equivalents as at beginning of the year		133.23		254.75
Cash and cash equivalents as at end of the year		230.33		133.23

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
At the beginning of the year	533.90	518.90
Changes in equity share capital during the year	-	15.00
At the end of the year	533.90	533.90

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and surplus				Other Comprehensive Income Net gain/ (loss) on fair value of defined benefit plan	Total
	General Reserve	Retained Earnings	Capital Reserve	Securities Premium		
As at April 1, 2019	3,900.00	3,760.70	25.20	3,164.09	8.69	10,858.68
Profit for the year	-	1,279.13	-	-	-	1,279.13
Additions during the year	-	-	-	810.00	-	810.00
Other comprehensive income for the year (net of tax)	-	-	-	-	(22.95)	(22.95)
Transitional adjustments on account of Ind AS 116	-	(49.80)	-	-	-	(49.80)
Transfer from retained earnings to general reserve	300.00	(300.00)	-	-	-	-
Dividend paid on equity shares	-	(311.34)	-	-	-	(311.34)
Dividend distribution tax	-	(64.01)	-	-	-	(64.01)
As at MARCH 31, 2020	4,200.00	4,314.68	25.20	3,974.09	(14.26)	12,499.71
Profit for the year	-	2,662.64	-	-	-	2,662.64
Additions during the year	-	-	-	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-	-	(18.33)	(18.33)
Transfer from retained earnings to general reserve	500.00	(500.00)	-	-	-	-
Dividend paid on equity shares	-	(533.90)	-	-	-	(533.90)
As at MARCH 31, 2021	4,700.00	5,943.42	25.20	3,974.09	(32.59)	14,610.12

The accompanying notes are integral part of these financial statements.

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

COMPANY INFORMATION

Acrysil Limited ("the Company") is a public limited company domiciled in India and incorporated on January 19, 1987 under the provisions of the Companies Act applicable in India. The Company is engaged in manufacturing and trading of Quartz Kitchen Sinks, Stainless Steel Kitchen Sinks, Bath Products, Tiles, Kitchen Appliances and Accessories. The registered office of the Company is located at B-307, Citi Point, J B Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

These standalone financial statements ("the financial statements") were authorised for issue in accordance with the resolution of the Board of Directors on May 20, 2021.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Company considers 12 months as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Lakhs except otherwise indicated.

A. Significant accounting policies:

a. System of accounting

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

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realised within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date;
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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

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

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

c. **Property, plant and equipment**

- (i) Property, plant and equipment are stated at historical cost of acquisition (except for certain class of assets which are measured at fair value as on April 1, 2017 as deemed cost) including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.

- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at April 1, 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. April 1, 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 capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. **Investments and financial assets**

(i) Investments in subsidiary companies

Investments in subsidiary companies is recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

Upon first-time adoption of Ind AS, the Company has elected to measure these investments at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2017.

(ii) Other investments and financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

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

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

Financial asset 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j. **Trade payables**

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

k. **Revenue recognition**

- (i) Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

- (iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

l. **Custom Duty and GST:**

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt 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 (₹), 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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

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

p. Provisions and contingent liabilities

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

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

q. Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. Impairment of non financial assets

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

s. **Taxation**

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

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

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

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

t. **Earnings Per Share**

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted

average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

u. **Segment reporting**

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

v. **Offsetting instruments**

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

w. **Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at April 1, 2019	2,344.93	1,781.07	2,029.88	5,568.46	357.34	722.49	419.74	13,223.91
Additions	326.52	60.13	424.46	349.66	25.25	81.25	58.90	1,326.17
Disposals	-	-	-	-	-	-	-	-
As at MARCH 31, 2020	2,671.45	1,841.20	2,454.34	5,918.12	382.59	803.74	478.64	14,550.08
Additions	127.39	601.25	1,376.44	789.66	72.11	217.87	-	3,184.72
Disposals	-	(73.18)	-	-	-	(3.28)	-	(76.46)
As at MARCH 31, 2021	2,798.84	2,369.27	3,830.78	6,707.78	454.70	1,018.33	478.64	17,658.34
Depreciation and impairment								
As on April 1, 2019	-	326.98	1,011.26	2,857.78	331.98	420.27	297.37	5,245.64
Depreciation charged	-	51.43	225.10	479.69	33.33	85.23	47.88	922.66
Disposals	-	-	-	-	-	-	-	-
As at MARCH 31, 2020	-	378.41	1,236.36	3,337.47	365.31	505.50	345.25	6,168.30
Depreciation charged	-	78.88	257.27	516.89	39.28	84.98	41.69	1,018.99
Disposals	-	(14.65)	-	-	-	(0.17)	-	(14.82)
As at MARCH 31, 2021	-	442.64	1,493.63	3,854.36	404.59	590.31	386.94	7,172.47
Net carrying value								
As at MARCH 31, 2020	2,671.45	1,462.79	1,217.98	2,580.65	17.28	298.24	133.39	8,381.78
As at MARCH 31, 2021	2,798.84	1,926.63	2,337.15	2,853.42	50.11	428.02	91.70	10,485.87

NOTE 3: RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Building	Total
Gross carrying value		
As at MARCH 31, 2019	-	-
Additions	294.57	294.57
As at MARCH 31, 2020	294.57	294.57
Additions	544.67	544.67
Disposals	(146.66)	(146.66)
As at MARCH 31, 2021	692.58	692.58
Accumulated depreciation		
As at MARCH 31, 2019	-	-
Depreciation charged	152.45	152.45

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 3: RIGHT OF USE ASSETS (CONTD.)

Particulars	(₹ in Lakhs)	
	Building	Total
As at MARCH 31, 2020	152.45	152.45
Depreciation charged	118.31	118.31
Disposals	(73.33)	(73.33)
As at MARCH 31, 2021	197.43	197.43
Net carrying value		
As at MARCH 31, 2020	142.12	142.12
As at MARCH 31, 2021	495.15	495.15

NOTE 4: INTANGIBLE ASSETS

Particulars	(₹ in Lakhs)		
	Design & Property Rights	Computer Software	Total
Gross carrying value			
As at April 1, 2019	165.09	85.23	250.32
Additions	-	6.19	6.19
As at MARCH 31, 2020	165.09	91.42	256.51
Additions	-	34.23	34.23
As at MARCH 31, 2021	165.09	125.65	290.74
Accumulated depreciation			
As on April 1, 2019	21.37	49.00	70.37
Depreciation charged	16.51	0.60	17.11
As at MARCH 31, 2020	37.88	49.60	87.48
Depreciation charged	16.51	3.76	20.27
As at MARCH 31, 2021	54.39	53.36	107.75
Net carrying value			
As at MARCH 31, 2020	127.21	41.82	169.03
As at MARCH 31, 2021	110.70	72.29	182.99

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 5: NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
a. Investments valued at cost, fully paid up		
Investments in subsidiaries in India		
Acrysil Steel Limited	459.80	459.80
45,98,000 equity shares of ₹ 10 each fully paid-up (extent of holding: 84.99%)		
Acrysil Appliances Limited	100.00	100.00
10,00,000 equity shares of ₹ 10 each fully paid-up (extent of holding: 100.00%)		
Sternhagen Bath Private Limited	8.49	8.49
84,900 equity shares of ₹ 10 each fully paid-up (extent of holding: 84.90%)		
	568.29	568.29
Investments in subsidiaries outside India		
Acrysil GmbH	171.48	171.48
9 equity shares of Euro 25,000 each (extent of holding: 100.00%)		
Acrysil UK Limited	667.74	667.74
6,90,001 equity shares of GBP 1 each (extent of holding: 100.00%)		
	839.22	839.22
Total non-current investments	1,407.51	1,407.51
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,407.51	1,407.51

NOTE 6: LOANS (UNSECURED)

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Loans:				
to subsidiaries	242.98	216.61	-	-
to employees	-	-	10.89	7.23
Total loans	242.98	216.61	10.89	7.23

Particulars of loans and advances in the nature of loans as required by regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 6: LOANS (UNSECURED) (CONTD.)

(₹ in Lakhs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Subsidiaries:				
Acrysil Steel Limited	-	-	-	29.60
Acrysil Gmbh	242.98	216.61	242.98	216.61
Acrysil UK Limited	-	-	-	245.25
	242.98	216.61		

NOTE 7: OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Security deposits	115.96	140.37	-	-
Claims receivables	-	-	1,525.15	1,034.98
Forward contract premium receivables	-	-	143.48	-
Interest receivables	-	-	62.03	8.18
Total other financial assets	115.96	140.37	1,730.66	1,043.16

NOTE 8: OTHER ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Trade advances to suppliers	-	-	534.95	533.40
Less: provision for doubtful advances	-	-	(21.58)	(67.89)
	-	-	513.37	465.51
Capital advances	663.10	332.21	-	-
Advances to staff	-	-	18.02	25.73
Prepaid expenses	-	-	15.88	0.34
Input credit receivables	-	-	936.17	694.01
Other advances	-	-	109.88	28.36
Total other assets	663.10	332.21	1,593.32	1,213.95
Trade advances:				
- To companies or firms in which one of the directors are interested	-	-	257.95	171.41

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 9: INVENTORIES

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Stores & spares	32.97	34.45
Stock-in-trade	941.75	1,064.24
Raw materials	387.02	500.84
Finished goods	1,249.81	1,037.79
Semi finished goods	323.03	882.31
Bought out items	739.76	568.34
Packing materials	223.22	119.08
Total inventories	3,897.56	4,207.05

NOTE 10: TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Trade receivables	6,190.62	5,453.48
Less: Provision for doubtful debts	(105.43)	(359.15)
Total trade receivables	6,085.19	5,094.33
Above includes due from related parties		
- Subsidiaries	1,032.03	1,009.35

NOTE 11: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Balances with banks	43.39	94.05
Short term deposits	150.00	-
Cash on hand	36.94	39.18
Total cash and cash equivalents	230.33	133.23

NOTE 12: OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Dividend accounts	54.21	50.00
Other term deposits *	1,171.32	1,297.56
Total other bank balances	1,225.53	1,347.56

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2021

* includes ₹ 96.74 Lakhs (₹ 122.74 Lakhs) under lien with banks against various credit facilities

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 13: INCOME TAX ASSETS

Particulars	(₹ in Lakhs)	
	MARCH 31, 2021	MARCH 31, 2020
The following table provides the details of income tax assets and liabilities :		
Current income tax liabilities	2,903.83	2,134.15
Income tax assets	2,853.28	2,019.89
Net balance	(50.55)	(114.26)
The gross movement in the current tax asset / (liability)		
Net current income tax asset at the beginning	114.26	60.90
Income tax paid (net of refunds)	(1,069.24)	(512.11)
Current income tax expense	1,005.53	565.47
Income tax on other comprehensive income	-	-
Net current income tax asset at the end	50.55	114.26

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	3,876.46	1,821.00
Applicable income tax rate	25.12%	25.12%
	973.77	457.44
Effect of expenses/depreciation for tax purpose (net)	25.81	102.57
Effect of income not considered for tax purpose	-	-
	25.81	102.57
Income tax expense charged to the Statement of Profit and Loss	999.58	560.00

NOTE 14: EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	MARCH 31, 2021	MARCH 31, 2020
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subscribed and Paid up		
2,66,94,880 equity shares of ₹ 2 each	533.90	533.90
Total equity share capital	533.90	533.90

Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 14: EQUITY SHARE CAPITAL (CONTD.)

Reconciliation of equity shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

Particulars	As at MARCH 31, 2021		As at MARCH 31, 2020	
	No. of shares	₹	No. of shares	₹
Equity shares:				
Balance at the beginning of the year	2,66,94,880	533.90	2,59,44,880	518.90
Issue of equity shares pursuant to conversion of warrants into equity shares*	-	-	7,50,000	15.00
Balance at end of the year	2,66,94,880	533.90	2,66,94,880	533.90

* During the financial year 2019-20, 7,50,000 equity shares were issued to Promoter & Promoter Group pursuant to conversion of warrants issued earlier.

Shares held by each shareholder holding more than five percent shares

Name of Shareholder	As at MARCH 31, 2021		As at MARCH 31, 2020	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	86,33,480	32.34	86,29,730	32.33
Schock GmbH	-	-	22,62,000	8.47
Abakus Emerging Opportunities Fund - 1	17,22,338	6.45	-	-
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a face value of ₹ 2 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

NOTE 15: OTHER EQUITY

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Capital reserve	25.20	25.20
General reserve		
Balance at the beginning of the year	4,200.00	3,900.00
Transferred from retained earnings	500.00	300.00
Balance at the end of the year	4,700.00	4,200.00
Securities premium account	3,974.09	3,164.09
Addition during the year	-	810.00
	3,974.09	3,974.09
Retained earnings		
Balance at the beginning of the year	4,314.68	3,760.70
Profit for the year	2,662.64	1,279.13

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 15: OTHER EQUITY (CONTD.)

(₹ in Lakhs)		
Particulars	MARCH 31, 2021	MARCH 31, 2020
Tansitional adjustments on account of Ind AS 116	-	(49.80)
Appropriations		
Transfer to general reserve	(500.00)	(300.00)
Dividend	(533.90)	(311.34)
Dividend distribution tax	-	(64.01)
Balance at the end of the year	5,943.42	4,314.68
Other components of equity		
Remeasurement of defined benefit plans (net of tax)	(32.59)	(14.26)
	(32.59)	(14.26)
Total other equity	14,610.12	12,499.71

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013 and the Company can optionally transfer any amount from the surplus of profit or loss to the General Reserve.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognised.

NOTE 16: BORROWINGS

(₹ in Lakhs)				
Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Secured				
Term loans from banks	1,620.69	1,181.13	-	-
Working capital finance from banks	-	-	6,905.32	6,401.90
	1,620.69	1,181.13	6,905.32	6,401.90
Unsecured				
Term loans from related parties	-	-	111.18	104.06
	-	-	111.18	104.06
Total borrowings	1,620.69	1,181.13	7,016.50	6,505.96

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note: Term loans from banks are secured by first hypothecation charge on entire movable fixed assets of the Company, both present & future, on pari-passu basis, further secured by the first pari-passu charge on immovable properties of the Company and personal guarantee of one of the directors of the Company. Term loans for vehicles are against hypothecation of vehicles.

Working capital finance from banks are secured by first hypothecation charge on entire current assets of the Company, both present and future, ranking pari-passu, second charge on entire movable fixed assets of the Company (excluding vehicles) both present and future and personal guarantee of one of the directors of the Company.

NOTE 17: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Current maturities of long-term debt	-	-	481.74	557.16
Lease liabilities	458.33	48.43	-	-
Current maturities of finance lease obligation	-	-	97.93	160.74
Payable towards services received	-	-	222.30	69.15
Unclaimed dividend	-	-	54.91	50.00
Forward contract premium payable	-	-	-	23.20
Deposits from distributors and others	-	-	22.52	32.39
Total other financial liabilities	458.33	48.43	879.40	892.64

NOTE 18: PROVISIONS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Provision for leave encashment	54.36	43.30	11.41	8.52
Provision for bonus	-	-	46.27	37.40
Provision for gratuity	-	-	39.69	26.87
Total provisions	54.36	43.30	97.37	72.79

NOTE 19: DEFERRED TAX LIABILITIES

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Deferred tax liabilities / (assets)		
On account of timing differences in		
Depreciation on property, plant & equipment	463.48	441.82
Provision for doubtful debts	(31.95)	(107.49)
Disallowances u/s 40(a) and 43B of the Income Tax Act	49.80	(55.12)
	481.33	279.21

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 20: OTHER LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Advances from customers	-	-	299.88	258.67
Payable for capital assets	-	-	40.00	-
Statutory due payable	-	-	74.51	43.54
Total other liabilities	-	-	414.39	302.21

NOTE 21: TRADE PAYABLES

(₹ in Lakhs)

Particulars	Current	
	MARCH 31, 2021	MARCH 31, 2020
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 36)	741.06	423.35
Total outstanding dues of creditors other than Micro and Small Enterprises	2,377.43	1,585.02
Total trade payables	3,118.49	2,008.37

NOTE 22: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Sale of products		
Export sales	19,241.41	14,785.00
Domestic sales	4,770.29	5,731.53
	24,011.70	20,516.53
Other operating revenue		
Export incentives & credits	816.66	915.94
Other operating income	5.77	4.84
Total revenue from operations	24,834.13	21,437.31

NOTE 23: OTHER INCOME

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Interest income		
Banks	85.56	37.18
Others	48.48	43.44
Gain on foreign currency fluctuation	581.99	409.16
Gain on disposal of property, plant & equipment	1.46	-
Miscellaneous income	11.49	8.88
Total other income	728.98	498.66

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 24: COST OF MATERIALS CONSUMED

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Raw material consumed		
Opening stock	500.84	299.27
Add: Purchases	4,905.66	5,230.20
	5,406.50	5,529.47
Less: Closing stock	387.02	500.84
Total raw material consumed	5,019.48	5,028.63
Packing material consumed		
Opening stock	119.08	124.61
Add: Purchases	2,464.39	1,908.25
	2,583.47	2,032.86
Less: Closing stock	223.22	119.08
Total packing material consumed	2,360.25	1,913.78
Bought out items	1,523.20	1,474.63
Total cost of materials consumed	8,902.93	8,417.04

NOTE 25: CHANGES IN INVENTORIES

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Closing Stock		
Finished goods	1,249.81	1,037.79
Stock-in-trade	941.75	1,064.24
Semi finished goods	323.03	882.31
	2,514.59	2,984.34
Opening Stock		
Finished goods	1,037.79	1,204.68
Stock-in-trade	1,064.24	942.46
Semi finished goods	882.31	995.79
	2,984.34	3,142.93
Changes in inventories	469.75	158.59

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 26: EMPLOYEE BENEFIT EXPENSES

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Salaries, wages and bonus	1,198.54	1,309.60
Directors' remuneration	184.16	166.33
Leave compensation	65.66	40.55
Contribution to provident fund and other funds	70.04	97.12
Staff welfare expenses	83.06	60.88
Total employee benefit expenses	1,601.46	1,674.48

NOTE 27: FINANCE COSTS

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Interest		
Banks	528.72	646.45
Income tax	11.32	7.11
Others	46.01	49.58
	586.05	703.14
Exchange difference on foreign currency borrowings	1.13	1.35
Other borrowing cost	52.65	72.64
Total finance costs	639.83	777.13

NOTE 28: DEPRECIATION AND AMORTISATION EXPENSES

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Depreciation on tangible assets	1,137.30	922.66
Depreciation on intangible assets	20.27	169.56
Total depreciation and amortisation	1,157.57	1,092.22

NOTE 29: OTHER EXPENSES

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Manufacturing expenses		
Power & fuel	657.49	611.89
Machinery repairs and maintenance	239.70	76.35
Stores and spares	477.17	307.38
Other expenses	961.42	734.72
	2,335.78	1,730.34
Selling and distribution expenses		
Sales commission	424.69	250.48
Advertisement and business promotion	447.72	542.03

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 29: OTHER EXPENSES (CONTD.)

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Export freight and insurance	1,907.74	1,359.06
Other selling expenses	408.58	428.94
	3,188.73	2,580.51
Administrative and other expenses		
Rent	158.73	95.04
Rates & taxes	3.49	4.95
Travelling expenses	214.72	542.91
Postage and telephone expenses	43.71	85.43
Printing and stationery expenses	30.74	26.72
Insurance premiums	37.80	43.61
Building and other repairs	192.56	149.38
Bank discount, commission and other charges	61.18	69.28
Legal and professional fees	208.39	331.70
Payment to auditors	19.70	17.10
Directors sitting fees	11.00	9.25
Corporate social responsibility expenses	32.81	40.90
Donations	1.94	7.53
Bad debts, provision for doubtful advances and other write-off	525.35	199.03
General expenses	199.44	265.37
	1,741.56	1,888.20
Total other expenses	7,266.07	6,199.05
Expenditure towards Corporate Social Responsibility (CSR) activities		
Gross amount required to be spent by the Company during the year	29.77	30.63
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	32.81	40.90
	32.81	40.90
Payments to auditors		
Audit fees (including quarterly review)	14.30	13.20
Tax audit fees	2.00	1.75
Other services	3.40	2.15
	19.70	17.10

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 30: EARNING PER SHARE

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Profit for the year (₹ in Lakhs)	2,662.64	1,279.13
Weighted average number of shares (Nos)	2,66,94,880	2,63,32,175
Earnings per share (Basic and diluted) ₹	9.97	4.86
Face value per share ₹	2.00	2.00

NOTE 31: FAIR VALUE MEASUREMENT

Financial instruments by category :

Particulars	March 31, 2021				March 31, 2020			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	1,407.51	1,407.51	-	-	1,407.51	1,407.51
Trade receivables	-	-	6,085.19	6,085.19	-	-	5,094.33	5,094.33
Loans - non-current	-	-	242.98	242.98	-	-	216.61	216.61
Loans - current	-	-	10.89	10.89	-	-	7.23	7.23
Other financial assets - non-current	-	-	115.96	115.96	-	-	140.37	140.37
Other financial assets - current	-	-	1,730.66	1,730.66	-	-	1,043.16	1,043.16
Cash and cash equivalents	-	-	230.33	230.33	-	-	133.23	133.23
Other bank balances	-	-	1,225.53	1,225.53	-	-	1,347.56	1,347.56
Total financial assets	-	-	11,049.05	11,049.05	-	-	9,390.00	9,390.00
Financial liabilities								
Borrowings								
Long term borrowings*	-	-	2,102.43	2,102.43	-	-	1,738.29	1,738.29
Short term borrowings	-	-	7,016.50	7,016.50	-	-	6,505.96	6,505.96
Trade payables	-	-	3,118.49	3,118.49	-	-	2,008.37	2,008.37
Other financial liabilities - non-current	-	-	458.33	458.33	-	-	48.43	48.43
Other financial liabilities - current	-	-	397.66	397.66	-	-	335.48	335.48
Total financial liabilities	-	-	13,093.41	13,093.41	-	-	10,636.53	10,636.53

* including current maturities of long term debt

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 32: FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit Risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables and receivables from group companies and others.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

Particulars	(₹ in Lakhs)		
	Less than or equal to one year	more than one year	Total
As on MARCH 31, 2021			
Financial Assets			
Non-current investments	-	1,407.51	1,407.51
Loans	10.89	242.98	253.87
Trade receivables	6,085.19	-	6,085.19
Cash and cash equivalents	230.33	-	230.33
Other bank balances	1,225.53	-	1,225.53
Other financial assets	1,730.66	115.96	1,846.62
Total financial assets	9,282.60	1,766.45	11,049.05

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 32: FINANCIAL RISK MANAGEMENT (CONTD.)

(₹ in Lakhs)

Particulars	Less than or equal to one year	more than one year	Total
Financial Liabilities			
Long term borrowings *	481.74	1,620.69	2,102.43
Short term borrowings	7,016.50	-	7,016.50
Trade payables	3,118.49	-	3,118.49
Other financial liabilities	397.66	458.33	855.99
Total financial liabilities	11,014.39	2,079.02	13,093.41
* including current maturities of long term debt			
As on MARCH 31, 2020			
Financial Assets			
Non-current investments	-	1,407.51	1,407.51
Loans	7.23	216.61	223.84
Trade receivables	5,094.33	-	5,094.33
Cash and cash equivalents	133.23	-	133.23
Other bank balances	1,347.56	-	1,347.56
Other financial assets	1,043.16	140.37	1,183.53
Total financial assets	7,625.51	1,764.49	9,390.00
Financial Liabilities			
Long term borrowings	557.16	1,181.13	1,738.29
Short term borrowings	6,505.96	-	6,505.96
Trade payables	2,008.37	-	2,008.37
Other financial liabilities	335.48	48.43	383.91
Total financial liabilities	9,406.97	1,229.56	10,636.53

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 32: FINANCIAL RISK MANAGEMENT (CONTD.)

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect of profit before tax
		(₹ in Lakhs)
March 31, 2021	+100	91.19
	-100	(91.19)
March 31, 2020	+100	82.44
	-100	(82.44)

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

c) Exposure in foreign currency - Hedged

Category	MARCH 31, 2021	MARCH 31, 2020
Option Contract - Buy		
USD/EURO/GBP	144.81	68.12
Option Contract - Sell		
USD/EURO	4.50	-

d) Exposure in foreign currency - Unhedged

Category	MARCH 31, 2021	MARCH 31, 2020
Receivables		
USD	41.81	26.62
EURO	12.78	15.94
GBP	13.02	8.67
Payables		
USD	2.88	3.08
EURO	4.51	0.65

e) Foreign currency sensitivity

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 32: FINANCIAL RISK MANAGEMENT (CONTD.)

Particulars	Currency	Change in rate	(₹ in Lakhs)
			Effect of profit before tax
March 31, 2021	USD	+5%	142.31
	USD	-5%	(142.31)
March 31, 2020	USD	+5%	88.98
	USD	-5%	(88.98)
March 31, 2021	GBP	+5%	65.75
	GBP	-5%	(65.75)
March 31, 2020	GBP	+5%	40.69
	GBP	-5%	(40.69)
March 31, 2021	EURO	+5%	35.47
	EURO	-5%	(35.47)
March 31, 2020	EURO	+5%	63.30
	EURO	-5%	(63.30)

NOTE 33: CAPITAL MANAGEMENT

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises the capital of the Company:

Particulars	(₹ in Lakhs)	
	As at	
	MARCH 31, 2021	MARCH 31, 2020
Total debt	9,118.93	8,244.25
Total equity	15,144.02	13,033.61
Total debt to equity ratio	0.60	0.63

Dividends

Dividends recognised in the financial statements	(₹ in Lakhs)	
	MARCH 31, 2021	MARCH 31, 2020
Interim Dividend of ₹ 0.80 (Nil) per equity share	213.56	-
Final dividend ₹ 1.20(1.20) per equity share	320.34	311.34
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 1.20 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	320.34	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 34: CONTINGENT LIABILITIES

(₹ in Lakhs)

No. Particulars	MARCH 31, 2021	MARCH 31, 2020
1. Guarantees to banks against credit facilities extended to Subsidiary Companies	1,147.89	1,555.58
2. In respect of disputed custom duty	-	41.54

NOTE 35: EMPLOYEE BENEFITS

Employee benefits

Funded Scheme - Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	206.42	160.54
Fair value of plan assets	166.73	133.67
Net unfunded obligation/assets	39.69	26.87
Expense recognised in the statement of profit and loss		
Current service cost	21.48	14.94
Interest on net defined benefit asset	1.85	(0.73)
Total expense charged to profit and loss Account	23.33	14.21
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	17.92	(12.75)
Remeasurements during the period due to:	-	-
Return on plan assets	22.94	28.66
Actual (gain)/loss on obligation for the period	1.56	2.01
Closing amount recognised in OCI outside profit & loss account	42.42	17.92
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	26.87	(9.47)
Expense charged to profit and loss account	23.33	14.21
Amount recognised outside profit and loss account	24.50	30.67
Benefits paid	-	-
Employer contributions	(35.01)	(8.54)
Closing net defined benefit liability/(asset)	39.69	26.87

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 35: EMPLOYEE BENEFITS (CONTD.)

Particulars	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Movement in benefit obligation		
Opening of defined benefit obligation	160.54	105.70
Current service cost	21.48	14.94
Interest on defined benefit obligation	10.98	9.61
Actuarial loss/(gain) arising from change in financial assumptions	(1.65)	13.65
Benefits directly paid by the employer	-	19.25
Benefits paid	(9.53)	(18.03)
Actuarial loss/(gain) on obligation	24.60	15.42
Closing of defined benefit obligation	206.42	160.54
Movement in plan assets		
Opening fair value of plan assets	133.67	132.80
Actual return on plan assets excluding interest on plan assets	(1.56)	(2.01)
Interest income	9.14	10.34
Contributions by employer	35.01	8.54
Benefits paid	(9.53)	(16.00)
Closing of defined benefit obligation	166.73	133.67
Principal actuarial assumptions		
Discount Rate	6.93	6.84
Salary escalation rate p.a.	6.93	6.84
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

Sensitivity analysis for significant assumption is as shown below:

		(₹ in Lakhs)		
No.	Particulars	Sensitivity level	March 31, 2021	March 31, 2020
1	Discount Rate	1% Increase	(17.03)	(13.88)
		1% Decrease	19.83	16.22
2	Salary	1% Increase	18.67	16.03
		1% Decrease	(16.49)	(13.99)
3	Employee Turnover	1% Increase	(0.43)	(0.67)
		1% Decrease	0.45	0.71

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

		(₹ in Lakhs)	
No.	Particulars	March 31, 2021	March 31, 2020
1	Within the next 12 months (next annual reporting period)	13.42	9.35
2	Between 2 and 5 years	50.82	43.78
3	Beyond 5 years	387.11	304.82

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 36: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2020-2021, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.

(₹ in Lakhs)

No.	Particulars	March 31, 2021	March 31, 2020
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	741.06	423.35
2	Interest due on above	-	-

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW:

Sr No.	Particulars	Country of incorporation
(i)	Subsidiaries Companies	
1	Acrysil Appliances Limited	India
2	Acrysil Steel Limited	India
3	Acrysil Gmbh	Germany
4	Acrysil UK Limited	UK
5	Acrysil Products Limited (formerly known as Homestlye Products Limited)	UK
6	Sternhagen Bath Private Limited	India
(ii)	Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives (Associates):	
7	Acrycol Minerals Limited	India
8	Meccanica Plast Private Limited	India
9	Ashwanila Charitable Trust, Bhavnagar	India
10	CP Sports Venture Private Limited	India
(iii)	Key Managerial Personnel	
11	Mr. Ashwin M Parekh (Deceased on July 22, 2019)	
12	Mr. Chirag A Parekh	
13	Dr. Sonal V Ambani	
14	Mr. Jagdish R Naik	
15	Mr. Ajit R Sanghavi	
16	Mr. Pradeep H Gohil	
17	Mr Rustam Mulla (w.e.f. March 17, 2020)	
18	Mr. Anand H Sharma	
19	Mr. Damodar H Sejpal (upto January 31, 2020)	
20	Ms. Neha Poddar (w.e.f. February 1, 2020)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW: (CONTD.)

(₹ in Lakhs)

Nature of transaction	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
Subsidiary companies and Enterprises owned or significantly influenced by key managerial personal or their relatives			
1. <u>Sales of materials</u>			
Acrysil Products Limited	Subsidiary	2,227.25	2,191.07
Acrysil Steel Limited	Subsidiary	2.95	-
Acrysil Gmbh	Subsidiary	426.10	386.13
	Total...	2,656.30	2,577.20
2. <u>Commission</u>			
Acrysil Gmbh	Subsidiary	345.67	181.22
3. <u>Purchase of materials</u>			
Acrysil Steel Limited	Subsidiary	520.71	405.43
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	1,520.47	1,418.35
	Total...	2,041.18	1,823.78
4. <u>Interest received</u>			
Acrysil Gmbh	Subsidiary	18.52	16.51
Acrysil UK Limited	Subsidiary	-	20.07
	Total...	18.52	36.58
5. <u>Rent received</u>			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	0.15
Acrysil Steel Limited	Subsidiary	0.60	0.60
	Total...	0.60	0.75
6. <u>Corporate social responsibility</u>			
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	29.62	10.00
7. <u>Royalty income</u>			
Acrysil Steel Limited	Subsidiary	5.77	4.84
8. <u>Sales promotion expenses</u>			
CP Sports Venture Private Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	7.23
9. <u>Interest paid</u>			
Acrysil Appliances Limited	Subsidiary	8.32	7.77
10. <u>Donations</u>			
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	1.68	3.51
11. <u>Repayment of loan given</u>			
Acrysil Steel Limited	Subsidiary	-	29.60

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW: (CONTD.)

(₹ in Lakhs)			
Nature of transaction	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
12. <u>Repayment of loan taken</u>			
Acrysil Appliances Limited	Subsidiary	0.58	4.54
Outstanding balances:			
1. <u>Non current loans</u>			
Acrysil Gmbh	Subsidiary	242.98	216.61
2. <u>Other current assets</u>			
Meccanica Plast Private Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	3.60
Acrysil Steel Limited	Subsidiary	48.72	13.37
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	4.27	3.98
Sternhagen Bath Private Limited	Subsidiary	0.30	0.30
Acrysil Appliances Limited	Subsidiary	4.68	4.68
	Total...	57.97	25.93
3. <u>Trade Payables</u>			
Acrysil Steel Limited	Subsidiary	222.66	90.03
4. <u>Trade receivables</u>			
Acrysil Steel Limited	Subsidiary	2.95	28.06
Acrysil Gmbh	Subsidiary	-	167.40
Acrysil Products Limited	Subsidiary	1,029.08	813.89
	Total...	1,032.03	1,009.35
5. <u>Intercorporate loans taken</u>			
Acrysil Appliances Limited	Subsidiary	111.18	104.06
6. <u>Advances to suppliers</u>			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	257.95	171.41
7. <u>Advances from customer</u>			
Acrysil GMBH	Subsidiary	99.67	-
Acrysil Steel Limited	Subsidiary	3.67	-
	Total...	103.34	-
8. <u>Other current liabilities</u>			
Acrysil Steel Limited	Subsidiary	1.53	-
Key management personnel and relatives			
1. <u>Remuneration</u>			
Mr. Chirag Parekh	Chairman & Managing Director	200.00	181.33
Mr. Anand Sharma	Chief Financial Officer	36.77	38.07
Mr. Damodar Sejpal	Company Secretary	-	12.96
Mrs. Neha Poddar	Company Secretary	10.86	2.13

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 37: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW: (CONTD.)

(₹ in Lakhs)			
Nature of transaction	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
Total...		247.63	234.49
2. <u>Professional Fees</u>			
Mr. Ashwin M Parekh	Chairman Emeritus	-	7.20
3. <u>Loan repaid</u>			
Mr. Chirag Parekh	Chairman & Managing Director	40.00	30.00
4. <u>Loan taken</u>			
Mr. Chirag Parekh	Chairman & Managing Director	40.00	20.00
5. <u>Interest paid</u>			
Mr. Chirag Parekh	Chairman & Managing Director	0.84	0.99
6. <u>Sitting Fees</u>			
Mr. Jagdish R Naik	Independent Director	1.85	2.50
Mr. Ajit R Sanghvi	Independent Director	2.30	2.10
Mr. Pradeep H Gohil	Independent Director	2.35	2.20
Dr. Sonal Ambani	Independent Director	2.55	2.25
Mr. Rustam Mulla	Independent Director	1.95	0.20
Total...		11.00	9.25
Outstanding Balances:			
1. <u>Other current liabilities</u>			
Mr. Anand Sharma	Chief Financial Officer	0.85	-

NOTE 38. Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.

NOTE 39. All the amounts are stated in Indian ₹ in lakhs, unless otherwise stated.

NOTE 40. Previous year's figures are regrouped and rearranged, wherever necessary.

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
**The Members of
ACRYSIL LIMITED**

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Acrysil Limited** ("the Holding Company") and its wholly-owned subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, a summary of the significant accounting policies and notes to the consolidated financial statements (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021 and of the consolidated profit, consolidated total comprehensive loss, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements

that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

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

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

Key Audit Matter:

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

Auditor's Response:

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

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's

INDEPENDENT AUDITOR'S REPORT (Contd.)

Report including Annexures to Board's Report, Management Discussion and Analysis, Shareholder's Information, but does not include the consolidated financial statements and auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 ability of the Group to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the

planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 10,143.38 Lakhs as at March 31, 2021, total revenues of ₹ 9,754.69 Lakhs and net profit after tax (including other comprehensive income) of ₹ 1,336.54 Lakhs for the year as considered in the Consolidated Financial Statements. These financial statements are audited by other auditors whose reports have been furnished to us by the management and our opinion on consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries is based solely on the report of the other auditors

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of the these matters with respect to our reliance on the work done and the reports of the other auditors.

INDEPENDENT AUDITOR'S REPORT (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1 As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries as noted in the "Other Matters" paragraph above, we report, to extent possible, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, including other comprehensive income, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March 2021 and taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group is disqualified as on 31st March 2021, 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 Holding Company and subsidiaries incorporated in India and operating effectiveness of such controls, our separate report in annexure – A may be referred.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and according to the reports of the statutory auditors of the subsidiaries incorporated in India, remuneration paid by the Holding Company and its subsidiaries incorporated in India, to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts;
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company or its subsidiaries incorporated in India.

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

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 21170275AAAABY1860

Bhavnagar
May 20, 2021

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **Acrysil Limited** ("the Holding Company") and its wholly-owned subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the auditors referred to in other matters below, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting

criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries incorporated in India, is based solely on the corresponding reports of the statutory auditors of such companies. Our opinion is not modified in respect of this matter.

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

ASHISH DAVE
Partner
Membership No. 170275
UDIN: 21170275AAAABY1860

Bhavnagar
May 20, 2021

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	12,118.00	9,778.91
Right of use assets	3	495.16	142.12
Capital work in progress	2	1,001.32	908.87
Intangible assets	4	185.45	171.29
Goodwill		2,391.77	2,391.77
Financial assets			
Investments		-	-
Loans	5	-	-
Other financial assets	6	122.95	148.81
Other non-current assets	7	714.68	338.77
		17,029.33	13,880.54
Current Assets			
Inventories	8	5,455.10	5,974.40
Financial assets			
Investments		-	-
Trade receivables	9	8,302.13	6,226.85
Cash and cash equivalents	10	773.53	592.06
Other bank balances	11	1,239.55	1,360.94
Loans	5	13.23	10.01
Other financial assets	6	1,732.45	1,055.09
Current tax assets (net)	12	2,901.77	2,070.05
Other current assets	7	1,670.44	1,283.16
		22,088.20	18,572.56
Total Assets		39,117.53	32,453.10
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	13	533.90	533.90
Other equity	14	18,607.58	15,247.26
Non controlling interests		256.00	236.46
Money received against share warrants		-	-
		19,397.48	16,017.62
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	2,170.64	2,121.38
Other financial liabilities	16	458.33	48.43
Provisions	17	68.71	57.12
Deferred tax liabilities (net)	18	397.63	198.81
Other non-current liabilities	19	-	-
		3,095.31	2,425.74
Current liabilities			
Financial Liabilities			
Borrowings	15	7,282.93	6,836.18
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		1,024.29	707.59
Total outstanding dues of creditors other than Micro and Small Enterprises		3,153.30	2,193.36
Other financial liabilities	16	1,097.32	1,406.72
Other current liabilities	19	785.62	446.13
Provisions	17	102.87	75.86
Current tax liabilities (net)	12	3,178.41	2,343.90
		16,624.74	14,009.74
Total Liabilities		39,117.53	32,453.10

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

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	₹ in Lakhs	
		2020-2021	2019-2020
REVENUE:			
Revenue from operations (net)	21	30,971.67	27,623.19
Other income	22	800.55	472.80
Total revenue		31,772.22	28,095.99
EXPENSES:			
Cost of materials consumed	23	10,384.62	9,714.84
Purchases of stock-in-trade		3,102.20	4,228.60
Changes in inventories	24	689.04	(206.19)
Employee benefits expenses	25	2,224.13	2,219.63
Finance costs	26	730.21	872.23
Depreciation and amortisation expenses	27	1,266.43	1,192.50
Other expenses	28	7,992.38	7,026.18
Total expenses		26,389.01	25,047.80
Profit before exceptional items and tax		5,383.21	3,048.19
Exceptional Items		-	-
Profit before tax		5,383.21	3,048.19
Tax expenses			
Current tax	12	1,238.32	781.06
Earlier years' tax		8.48	6.25
Deferred tax		204.65	(25.33)
Profit for the year		3,931.76	2,286.21
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(23.19)	(31.38)
b. Tax impacts on above		5.83	7.90
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		(0.64)	(86.90)
Other comprehensive income for the year		(18.00)	(110.38)
Total Comprehensive Income for the year		3,913.76	2,175.83
Profit for the year attributable to:			
Owners of the Parent		3,912.36	2,207.54
Non-controlling interests		19.40	78.67
		3,931.76	2,286.21
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		(18.14)	(110.30)
Non-controlling interests		0.14	(0.08)
		(18.00)	(110.38)
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		3,894.22	2,097.24
Non-controlling interests		19.54	78.59
		3,913.76	2,175.83
Basic and diluted earning per share	29	14.66	8.38
Face value per share		2.00	2.00

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

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit for the year	3,931.76	2,286.21
Adjustments for -		
Depreciation and amortisation	1,266.43	1,192.50
Income tax expenses	1,451.45	761.98
Loss / (profit) on sale of property, plant & equipment	(1.46)	-
Impairment loss recognised on trade receivables	538.28	211.39
Exchange rate adjustments (net)	(0.64)	(86.90)
Interest income	(116.45)	(45.84)
Finance cost	730.21	872.23
Operating profit before working capital changes	3,867.82	2,905.36
Adjustments for -		
Trade and other receivables	(3,146.89)	(1,580.47)
Other current and non-current assets	(763.19)	305.27
Inventories	519.30	(604.64)
Provision	15.41	25.46
Other current and non-current liabilities	339.49	36.22
Trade and other payables	1,022.24	381.11
Cash generated from operations	(2,013.65)	(1,437.05)
Income tax paid	(1,244.01)	610.16
	(742.68)	725.63
NET CASH FROM OPERATING ACTIVITIES	4,541.92	3,011.84
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant & equipment	(3,655.46)	(1,951.21)
Sale of property, plant & equipment	63.10	(41.46)
Interest received	116.45	45.84
NET CASH USED IN INVESTING ACTIVITIES	(3,475.91)	(1,946.83)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Repayments of borrowings	-	(289.99)
Proceeds from borrowings	496.01	16.47
Payment of lease liabilities	(121.35)	(151.95)
Proceeds from issue of equity instruments of the Company	-	618.75
Dividend paid to owner of the Company	(528.99)	(308.46)
Interest paid	(730.21)	(872.23)
NET CASH USED IN FINANCING ACTIVITIES	(884.54)	(987.41)
Net Increase in Cash and Cash Equivalents	181.47	77.60
Cash and cash equivalents as at beginning of the year	592.06	514.46
Cash and cash equivalents as at end of the year	773.53	592.06

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	MARCH 31, 2021	MARCH 31, 2020
At the beginning of the year	533.90	518.90
Changes in equity share capital during the year	-	15.00
At the end of the year	533.90	533.90

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Other Comprehensive Income					Other Equity Attributable to owners of Parent	Non-controlling interest
	General reserve	Retained earnings	Capital reserve	Security Premium	Foreign currency translation reserve		
As at 1st April, 2019	3,899.60	5,507.98	25.20	3,225.29	97.52	9.58	157.87
Profit for the year	-	2,207.54	-	-	-	-	78.67
Addition during the year	-	(49.80)	-	810.00	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-	-	(86.90)	(23.40)	(0.08)
Transfer from retained earnings to general reserve	300.00	(300.00)	-	-	-	-	-
Final dividend, declared and paid during the year	-	(311.34)	-	-	-	-	-
Dividend distribution tax	-	(64.01)	-	-	-	-	-
As at MARCH 31, 2020	4,199.60	6,990.37	25.20	4,035.29	10.62	(13.82)	236.46
Profit for the year	-	3,912.36	-	-	-	-	19.40
Addition during the year	-	-	-	-	-	-	-
Other comprehensive income for the year (net of tax)	-	-	-	-	(0.64)	(17.50)	0.14
Transfer from retained earnings to general reserve	500.00	(500.00)	-	-	-	-	-
Final dividend, declared and paid during the year	-	(533.90)	-	-	-	-	-
As at MARCH 31, 2021	4,699.60	9,868.83	25.20	4,035.29	9.98	(31.32)	256.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

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

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

JAGDISH R NAIK
Director
DIN: 00030172

ASHISH DAVE
Partner
Membership No. 170275

ANAND SHARMA
Chief Financial Officer

NEHA PODDAR
Company Secretary

Bhavnagar
May 20, 2021

New York/Mumbai
May 20, 2021

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

COMPANY INFORMATION

Acrysil Limited ("the Company") is a public limited company domiciled in India and incorporated on January 19, 1987 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at B-307, Citi Point, J B Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended March 31, 2021.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements ("the financial statements") were authorised for issue in accordance with the resolution of the Board of Directors of the Company on May 20, 2021.

1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency,

and all values are rounded to the nearest Lakhs except otherwise indicated.

1.2 Significant accounting policies:

a. System of accounting

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

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be realised within 12 months after the reporting date;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
 - It is expected to be settled in the Group's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date;
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

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

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

1.2 Basis for consolidation:

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of the subsidiary companies used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

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

Sr. No.	Entity	Proportion of Ownership Interest as at March 31, 2021
1	Acrysil Steel Limited	84.99%
2	Sternhagen Bath Private Limited	84.90%
3	Acrysil Appliances Limited	100.00%
4	Acrysil GmbH – Germany	100.00%
5	Acrysil UK Limited – United Kingdom	100.00%
6	Acrysil Products Limited – United Kingdom	100.00%

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

- A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.
- The Company combines the financial statements of the parent and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions among the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.
- A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

c. Property, plant and equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at April 1, 2016 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. April 1, 2016 except for certain class of assets which are measured at fair value as deemed cost.
- (vi) The Group depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets

are ready for intended use after considering the residual value.

- (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 capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

d. Goodwill

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

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

e. Investments and financial assets

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

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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

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

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

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

f. Inventories

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

g. Cash and cash equivalents

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

h. Trade receivables

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

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

j. Financial liabilities

- (i) Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

k. Trade payables

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

liabilities for goods and services provided to the entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

I. Revenue recognition

- (i) Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.
- (iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.

m. Custom Duty and GST:

Purchase of goods and fixed assets are accounted for net of GST input credits. Custom duty paid

on import of materials is dealt with in respective material accounts.

n. Foreign currency transactions

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

o. Employee benefit expenses

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

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

p. Leases

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

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

q. Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready

for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

r. Impairment of non financial assets

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

s. Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

corresponding tax bases used in the computation of taxable profit.

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

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

t. Provisions and contingent liabilities

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

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

u. Earnings Per Share

(i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the

conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

v. Segment reporting

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

w. Offsetting instruments

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

x. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at APRIL 1, 2019	3,087.03	2,255.83	2,606.30	5,674.55	423.12	739.74	457.91	15,244.48
Additions	326.52	60.13	475.55	349.66	33.05	82.25	58.90	1,386.06
Disposals	-	-	-	-	-	-	-	-
As at MARCH 31, 2020	3,413.55	2,315.96	3,081.85	6,024.21	456.17	821.99	516.81	16,630.54
Additions	127.39	701.08	1,601.60	797.07	83.22	218.11	-	3,528.47
Disposals	-	(73.18)	-	-	-	(3.28)	-	(76.46)
As at MARCH 31, 2021	3,540.94	2,943.86	4,683.45	6,821.28	539.39	1,036.82	516.81	20,082.55
Accumulated depreciation								
As on APRIL 1, 2019	-	411.55	1,348.66	2,932.62	381.37	431.04	323.53	5,828.77
Depreciation charged	-	66.43	290.42	487.87	39.30	87.22	51.62	1,022.86
Disposals	-	-	-	-	-	-	-	-
As at MARCH 31, 2020	-	477.98	1,639.08	3,420.49	420.67	518.26	375.15	6,851.63
Depreciation charged	-	95.22	329.31	525.54	46.69	86.71	44.27	1,127.74
Disposals	-	(14.65)	-	-	-	(0.17)	-	(14.82)
As at MARCH 31, 2021	-	558.55	1,968.39	3,946.03	467.36	604.80	419.42	7,964.55
Net carrying value								
As at MARCH 31, 2020	3,413.55	1,837.98	1,442.77	2,603.72	35.50	303.73	141.66	9,778.91
As at MARCH 31, 2021	3,540.94	2,385.31	2,715.06	2,875.25	72.03	432.02	97.39	12,118.00

NOTE 3: RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Building	Total
Gross carrying value		
As at MARCH 31, 2019	-	-
Additions	294.57	294.57
As at MARCH 31, 2020	294.57	294.57
Additions	544.68	544.68
Disposals	(146.66)	(146.66)
As at MARCH 31, 2021	692.59	692.59
Accumulated depreciation		
As at MARCH 31, 2019	-	-
Additions	152.45	152.45
As at MARCH 31, 2020	152.45	152.45
Depreciation charged	118.31	118.31
Disposals	(73.33)	(73.33)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 3: RIGHT OF USE ASSETS (CONTD.)

(₹ in Lakhs)

Particulars	Building	Total
As at MARCH 31, 2021	197.43	197.43
Net carrying value		
As at MARCH 31, 2020	142.12	142.12
As at MARCH 31, 2021	495.16	495.16

NOTE 4: INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Design & Property Rights	Computer Software	Total
Gross carrying value (at deemed cost)			
As at 1st APRIL, 2019	165.09	94.28	259.37
Additions	-	6.69	6.69
As at MARCH 31, 2020	165.09	100.97	266.06
Additions	-	34.54	34.54
As at MARCH 31, 2021	165.09	135.51	300.60
Accumulated depreciation			
As on 1st APRIL, 2019	21.37	56.21	77.58
Depreciation charged	16.51	0.68	17.19
As at MARCH 31, 2020	37.88	56.89	94.77
Depreciation charged	16.51	3.87	20.38
As at MARCH 31, 2021	54.39	60.76	115.15
Net carrying value			
As at MARCH 31, 2020	127.21	44.08	171.29
As at MARCH 31, 2021	110.70	74.75	185.45

NOTE 5: LOANS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Unsecured, considered good				
Employee loans	-	-	13.23	10.01
Other loans	-	-	-	-
Total loans	-	-	13.23	10.01

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 6: OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Security deposits	122.95	148.81	-	-
Claims receivables	-	-	1,525.36	1,045.47
Forward contract premium receivables	-	-	143.48	-
Interest receivables	-	-	63.61	9.62
Total other financial assets	122.95	148.81	1,732.45	1,055.09

NOTE 7: OTHER ASSETS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Trade advances to suppliers	-	-	605.82	536.81
Less: provision for doubtful Advances	-	-	(21.58)	(67.89)
	-	-	584.24	468.92
Capital advances	714.68	338.77	-	-
Advances to staff	-	-	18.02	25.91
Prepaid expenses	-	-	44.66	3.34
Input credit receivables	-	-	967.33	774.15
Other advances	-	-	56.19	10.84
Total other assets	714.68	338.77	1,670.44	1,283.16
Trade advances include				
- To companies or firms in which one of the director is interested	-	-	257.95	171.41

NOTE 8: INVENTORIES

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Stores & spares	53.89	59.70
Stock-in-trade	1,649.00	2,150.22
Raw materials	486.97	586.15
Finished goods	1,449.68	1,292.91
Semi finished goods	850.16	1,194.75
Bought out items	740.56	571.04
Packing materials	224.84	119.63
Total inventories	5,455.10	5,974.40

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 9: TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)		
Particulars	MARCH 31, 2021	MARCH 31, 2020
Trade receivables	8,421.91	6,590.31
Less: Provision for doubtful debts	(119.78)	(363.46)
Total trade receivables	8,302.13	6,226.85

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)		
Particulars	MARCH 31, 2021	MARCH 31, 2020
Balances with banks	583.21	546.59
Short term deposits	150.00	-
Cash on hand	40.32	45.47
Total cash and cash equivalents	773.53	592.06

NOTE 11: OTHER BANK BALANCES

(₹ in Lakhs)		
Particulars	MARCH 31, 2021	MARCH 31, 2020
Dividend accounts	54.21	50.00
Other term deposits*	1,185.34	1,310.94
Total other bank balances	1,239.55	1,360.94

* includes ₹ 110.76 Lakhs (₹ 136.12 Lakhs) balances with banks under lien with banks against various credit facilities

NOTE 12: INCOME TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	MARCH 31, 2021	MARCH 31, 2020
Income tax assets (net)		
The following table provides the details of income tax assets and liabilities :		
Income tax assets	2,901.77	2,070.05
Current income tax liabilities	3,178.41	2,343.90
Net liabilities	276.64	273.85
The gross movement in the current tax asset / (liability)		
Net current income tax liabilities at the beginning	273.85	165.21
Income tax paid (net of refunds)	(1,244.01)	(678.67)
Current income tax expense	1,246.80	787.31
Income tax on other comprehensive income	-	-
Net current income tax asset at the end	276.64	273.85

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 13: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Authorised		
4,00,00,000 equity shares of ₹ 2 each	800.00	800.00
	800.00	800.00
Issued, Subscribed and Paid up		
2,66,94,880 equity shares of ₹ 2 each	533.90	533.90
Total equity share capital	533.90	533.90

Equity Shares issued as fully paid-up bonus shares or otherwise then by cash during the preceding Five Years: Nil.

Reconciliation of equity shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

Particulars	As at MARCH 31, 2021		As at MARCH 31, 2020	
	No. of shares	₹	No. of shares	₹
Equity shares:				
Balance at the beginning of the year	2,66,94,880	533.90	2,59,44,880	518.90
Issue of equity shares pursuant to conversion of warrants into equity shares*	-	-	7,50,000	15.00
Balance at end of the year	2,66,94,880	533.90	2,66,94,880	533.90

* During the financial year 2019-20, 7,50,000 equity shares were issued to promoter & promoter group pursuant to conversion of warrants issued earlier.

Shares held by each shareholder holding more than five percent shares

Name of Shareholder	As at MARCH 31, 2021		As at MARCH 31, 2020	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	86,33,480	32.34	86,29,730	32.33
Schock Gmbh	-	-	22,62,000	8.47
Abakkus Emerging Opportunities Fund - 1	17,22,338	6.45	-	-
Acrycol Minerals Limited	13,81,760	5.18	13,81,760	5.18

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a face value of ₹ 2 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 14: OTHER EQUITY

(₹ in Lakhs)

Particulars	MARCH 31, 2021	MARCH 31, 2020
Capital reserve	25.20	25.20
General Reserve		
Balance at the beginning of the year	4,199.60	3,899.60
Transferred from retained earnings	500.00	300.00
Balance at the end of the year	4,699.60	4,199.60
Securities Premium Account	4,035.29	3,225.29
Addition during the year	-	810.00
	4,035.29	4,035.29
Retained earnings		
Balance at the beginning of the year	6,990.37	5,507.98
Profit for the year	3,912.36	2,207.54
Transitional adjustments on account of Ind AS 116	-	(49.80)
Appropriations		
Transfer to general reserve	(500.00)	(300.00)
Dividend	(533.90)	(311.34)
Dividend distribution tax	-	(64.01)
Balance at the end of the year	9,868.83	6,990.37
Other components of equity		
Remeasurement of defined benefit plans (net of tax)	(31.32)	(13.82)
Exchange differences on foreign currency translation of foreign operations	9.98	10.62
	(21.34)	(3.20)
Total other equity	18,607.58	15,247.26

Capital reserve: This represents capital grants received in the past years.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

Securities premium account: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

Net gain/(loss) on fair value of defined benefit plans: The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earnings when the relevant obligations are derecognised.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 15: BORROWINGS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Secured				
Term loans from banks	2,170.64	2,121.38	-	-
Working capital finance from banks	-	-	7,282.93	6,836.18
	2,170.64	2,121.38	7,282.93	6,836.18
Unsecured	-	-	-	-
Total borrowings	2,170.64	2,121.38	7,282.93	6,836.18

NOTE 16: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Current maturities of long-term debt	-	-	684.58	1,062.12
Lease liabilities	458.33	48.43	-	-
Current maturities of finance lease obligation	-	-	97.93	160.74
Payable towards services received	-	-	237.38	68.95
Unclaimed dividend	-	-	54.91	50.00
Forward contract premium payable	-	-	-	23.20
Deposits from Distributors and others	-	-	22.52	41.71
Total other financial liabilities	458.33	48.43	1,097.32	1,406.72

NOTE 17: PROVISIONS

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Provision for leave encashment	60.22	48.63	11.85	9.26
Provision for bonus	-	-	50.90	39.08
Provision for Gratuity	8.49	8.49	40.12	27.52
Total provisions	68.71	57.12	102.87	75.86

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 18: DEFERRED TAX LIABILITIES

(₹ in Lakhs)

Particulars	MARCH 31, 2021		MARCH 31, 2020	
Deferred tax liabilities / (assets)				
On account of timing differences in				
Depreciation on property, plant & equipment		414.24		438.36
Provision for doubtful debts		(31.95)		(108.69)
Other disallowances under tax laws		15.34		(130.86)
		397.63		198.81

NOTE 19: OTHER LIABILITIES

(₹ in Lakhs)

Particulars	Non-current		Current	
	MARCH 31, 2021	MARCH 31, 2020	MARCH 31, 2021	MARCH 31, 2020
Advances from customers	-	-	216.00	260.60
Payable for capital assets	-	-	40.00	-
Statutory liabilities	-	-	447.22	56.33
Other liabilities	-	-	82.40	129.20
Total other liabilities	-	-	785.62	446.13

NOTE 20: TRADE PAYABLES

(₹ in Lakhs)

Particulars	Current	
	MARCH 31, 2021	MARCH 31, 2020
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	1,024.29	707.59
Total outstanding dues of creditors other than Micro and Small Enterprises	3,153.30	2,193.36
Total trade payables	4,177.59	2,900.95

NOTE 21: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2020-2021		2019-2020	
Sale of Products				
Export sales		23,652.25		19,341.79
Domestic sales		6,370.77		7,267.33
		30,023.02		26,609.12
Other Operating Revenue				
Export incentives & credits		817.74		915.94
Other operational income		130.91		98.13
Total revenue from operations		30,971.67		27,623.19

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 22: OTHER INCOME

Particulars	₹ in Lakhs	
	2020-2021	2019-2020
Interest income		
Banks	86.49	38.79
Others	29.96	7.05
Gain on foreign currency fluctuation	582.92	410.30
Profit on sale of property, plant & equipment (net)	1.46	-
Subsidy income	81.99	-
Miscellaneous income	17.73	16.66
Total other income	800.55	472.80

NOTE 23: COST OF MATERIALS CONSUMED

Particulars	₹ in Lakhs	
	2020-2021	2019-2020
Raw material consumed		
Opening stock	586.15	411.07
Add: Purchases	5,971.31	6,228.88
	6,557.46	6,639.95
Less: Closing stock	(486.97)	(586.15)
	6,070.49	6,053.80
Packing material consumed		
Opening stock	119.63	125.19
Add: Purchases	2,588.80	2,031.83
	2,708.43	2,157.02
Less: Closing stock	(224.84)	(119.63)
	2,483.59	2,037.39
Bought out items	1,830.54	1,623.65
Total cost of material consumed	10,384.62	9,714.84

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 24: CHANGES IN INVENTORIES

(₹ in Lakhs)		
Particulars	2020-2021	2019-2020
Closing Stock		
Finished goods	1,449.68	1,292.91
Stock-in-trade	1,649.00	2,150.22
Semi finished goods	850.16	1,194.75
Opening Stock	3,948.84	4,637.88
Finished goods	1,292.91	1,363.53
Stock-in-trade	2,150.22	1,774.84
Semi finished goods	1,194.75	1,293.32
	4,637.88	4,431.69
Changes in inventories	689.04	(206.19)

NOTE 25: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)		
Particulars	2020-2021	2019-2020
Salaries, wages, bonus and allowances	1,688.89	1,716.09
Directors' remuneration	286.54	279.31
Leave compensation	45.14	44.22
Contribution to provident fund and other welfare funds	98.96	102.07
Staff welfare expenses	104.60	77.94
Total employee benefit expenses	2,224.13	2,219.63

NOTE 26: FINANCE COSTS

(₹ in Lakhs)		
Particulars	2020-2021	2019-2020
Interest		
Banks	605.93	753.39
Income tax	13.03	9.53
Others	40.94	42.94
	659.90	805.86
Other borrowing cost	53.77	73.23
Exchange difference regarded as adjustment to borrowing costs	16.54	(6.86)
Total finance costs	730.21	872.23

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 27: DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Depreciation on tangible assets	1,246.05	1,175.31
Depreciation on intangible assets	20.38	17.19
Total depreciation and amortisation	1,266.43	1,192.50

NOTE 28: OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Manufacturing Expenses		
Power & fuel	695.33	649.78
Machinery repairs and maintenance	256.74	90.80
Stores and spares	626.49	442.96
Other expenses	1,123.33	874.57
	2,701.89	2,058.11
Selling and Distribution Expenses		
Sales commission	152.35	101.63
Advertisement and business promotion	477.51	584.27
Export freight and insurance	1,915.71	1,364.45
Other selling expenses	522.16	535.85
	3,067.73	2,586.20
Administrative and Other Expenses		
Rent	254.17	191.19
Rates & taxes	3.49	4.96
Travelling expenses	228.92	597.43
Postage and telephone expenses	53.25	94.71
Printing & stationery expenses	59.95	51.62
Insurance premiums	57.13	64.91
Building and other repairs	209.82	164.49
Bank discount, commission and other charges	109.52	120.72
Legal and professional fees	308.11	403.63
Payment to auditors	103.71	76.03
Directors sitting fees	12.40	10.30
Corporate social responsibility expenses	32.81	40.90
Donations	1.94	7.53
Bad debts, provision for doubtful advances and other write offs	538.28	211.39
General expenses	249.26	342.06
	2,222.76	2,381.87
Total other expenses	7,992.38	7,026.18

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 28: OTHER EXPENSES (CONTD.)

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Expenditure towards Corporate Social Responsibility (CSR) activities		
Gross amount required to be spent during the year	29.77	30.63
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	32.81	40.90
	32.81	40.90
Payments to auditors		
Audit fees	97.21	71.28
Tax audit fees	2.30	2.05
Other services	4.20	2.70
	103.71	76.03

NOTE 29: EARNING PER SHARE

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Profit for the year (₹ in Lakhs)	3,912.36	2,207.54
Weighted average number of shares (Nos)	2,66,94,880	2,63,32,175
Earnings per share (Basic and Diluted) ₹	14.66	8.38
Face value per share ₹	2.00	2.00

NOTE 30: FAIR VALUE MEASUREMENT

Financial instruments by category :

(₹ in Lakhs)

Particulars	March 31, 2021				March 31, 2020			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial assets								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	8,302.13	8,302.13	-	-	6,226.85	6,226.85
Loans - non-current	-	-	-	-	-	-	-	-
Loans - current	-	-	13.23	13.23	-	-	10.01	10.01
Other financial assets - non-current	-	-	122.95	122.95	-	-	148.81	148.81
Other financial assets - current	-	-	1,732.45	1,732.45	-	-	1,055.09	1,055.09
Cash and cash equivalents	-	-	773.53	773.53	-	-	592.06	592.06
Other bank balances	-	-	1,239.55	1,239.55	-	-	1,360.94	1,360.94
Total financial assets	-	-	12,183.84	12,183.84	-	-	9,393.76	9,393.76

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 30: FAIR VALUE MEASUREMENT (CONTD.)

(₹ in Lakhs)

Particulars	March 31, 2021				March 31, 2020			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
Financial liabilities								
Borrowings								
Long term borrowings*	-	-	2,855.22	2,855.22	-	-	3,183.50	3,183.50
Short term borrowings	-	-	7,282.93	7,282.93	-	-	6,836.18	6,836.18
Trade payables	-	-	4,177.59	4,177.59	-	-	2,900.95	2,900.95
Other financial liabilities - non-current	-	-	458.33	458.33	-	-	48.43	48.43
Other financial liabilities -current	-	-	412.74	412.74	-	-	344.60	344.60
Total financial liabilities	-	-	15,186.81	15,186.81	-	-	13,313.66	13,313.66

* including current maturities of long term debt

NOTE 31: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

A. Credit Risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Group. The Group regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 31: FINANCIAL RISK MANAGEMENT (CONTD.)

The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of significant financial liabilities are as follows:

(₹ in Lakhs)			
Particulars	Less than or equal to one year	more than one year	Total
As on MARCH 31, 2021			
Financial Assets			
Non-current investments	-	-	-
Loans	13.23	-	13.23
Trade receivables	8,302.13	-	8,302.13
Cash and cash equivalents	773.53	-	773.53
Other bank balances	1,239.55	-	1,239.55
Other financial assets	1,732.45	122.95	1,855.40
Total financial assets	12,060.89	122.95	12,183.84
Financial Liabilities			
Long term borrowings	684.58	2,170.64	2,855.22
Short term borrowings	7,282.93	-	7,282.93
Trade payables	4,177.59	-	4,177.59
Other financial liabilities	412.74	458.33	871.07
Total financial liabilities	12,557.84	2,628.97	15,186.81
As on MARCH 31, 2020			
Financial Assets			
Non-current investments	-	-	-
Loans	10.01	-	10.01
Trade receivables	6,226.85	-	6,226.85
Cash and cash equivalents	592.06	-	592.06
Other bank balances	1,360.94	-	1,360.94
Other financial assets	1,055.09	148.81	1,203.90
Total financial assets	9,244.95	148.81	9,393.76
Financial Liabilities			
Long term borrowings	1,062.12	2,121.38	3,183.50
Short term borrowings	6,836.18	-	6,836.18
Trade payables	2,900.95	-	2,900.95
Other financial liabilities	344.60	48.43	393.03
Total financial liabilities	11,143.85	2,169.81	13,313.66

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 31: FINANCIAL RISK MANAGEMENT (CONTD.)

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	₹ in Lakhs	
	Increase/decrease in basis points	Effect of profit before tax
March 31, 2021	+100	101.38
	-100	(101.38)
March 31, 2020	+100	100.20
	-100	(100.20)

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

c) Exposure in foreign currency - Hedged

Category	MARCH 31 2021	MARCH 31 2020
Option Contract - Buy		
USD/EURO/GBP	144.81	68.12
Option Contract - Sell		
USD/EURO	4.50	-

d) Exposure in foreign currency - Unhedged

Category	MARCH 31 2021	MARCH 31 2020
USD	42.15	26.66
EURO	12.78	13.34
GBP	13.02	8.67
Payables		
USD	2.91	3.08
EURO	4.99	0.65
GBP	-	4.86

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 31: FINANCIAL RISK MANAGEMENT (CONTD.)

e) Foreign currency sensitivity

The Group is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in Lakhs)

Particulars	Currency	Change in rate	Effect of profit before tax
March 31, 2021	USD	+5%	143.42
	USD	-5%	(143.42)
March 31, 2020	USD	+5%	89.13
	USD	-5%	(89.13)
March 31, 2021	GBP	+5%	65.75
	GBP	-5%	(65.75)
March 31, 2020	GBP	+5%	40.69
	GBP	-5%	(40.69)
March 31, 2021	EURO	+5%	33.42
	EURO	-5%	(33.42)
March 31, 2020	EURO	+5%	52.54
	EURO	-5%	(52.54)

NOTE 32: CAPITAL MANAGEMENT

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(₹ in Lakhs)

Particulars	MARCH 31 2021	MARCH 31 2020
Total debts	10,138.15	10,019.68
Total equity	19,141.48	15,781.16
Total debts to equity ratio	0.53	0.63

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 32: CAPITAL MANAGEMENT (CONTD.)

Dividends

(₹ in Lakhs)

Dividends recognised in the financial statements	MARCH 31 2021	MARCH 31 2020
Interim Dividend of ₹ 0.80 (Nil) per equity share	213.56	-
Final dividend ₹ 1.20 (1.20) per equity share	320.34	311.34
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 1.20 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	320.34	-

NOTE 33: CONTINGENT LIABILITIES

(₹ in Lakhs)

No. Particulars	MARCH 31 2021	MARCH 31 2020
1. In respect of custom duty	-	41.54

NOTE 34: EMPLOYEE BENEFITS

Employee benefits

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. Wherever the Group creates plan assets, it makes contributions to approved gratuity fund.

Funded Scheme - Gratuity

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	206.42	160.54
Fair value of plan assets	166.73	133.67
Net unfunded obligation	39.69	26.87
Expense recognised in the statement of profit and loss		
Current service cost	21.48	14.94
Interest on net defined benefit asset	1.85	(0.73)
Total expense charged to profit and loss Account	23.33	14.21
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss account	17.92	(12.75)
Remeasurements during the period due to:		
Return on plan assets	22.94	28.66
Actual (gain)/loss on obligation for the period	1.56	2.01
Closing amount recognised in OCI outside profit & loss account	42.42	17.92

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 34: EMPLOYEE BENEFITS (CONTD.)

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	26.87	(9.47)
Expense charged to profit and loss account	23.33	14.21
Amount recognised outside profit and loss account	24.50	30.67
Benefits paid	-	-
Employer contributions	(35.01)	(8.54)
Closing net defined benefit liability/(asset)	39.69	26.87
Movement in benefit obligation		
Opening of defined benefit obligation	160.54	105.70
Current service cost	21.48	14.94
Interest on defined benefit obligation	10.98	9.61
Actuarial loss/(gain) arising from change in financial assumptions	(1.65)	13.65
Benefits directly paid by the employer	-	19.25
Benefits paid	(9.53)	(18.03)
Actuarial loss/(gain) on obligation -Due to Experience	24.60	15.42
Closing of defined benefit obligation	206.42	160.54
Movement in plan assets		
Opening fair value of plan assets	133.67	132.79
Actual return on plan assets excluding interest on plan assets	(1.56)	(2.01)
Interest income	9.14	10.34
Contributions by employer	35.01	8.54
Benefits paid	(9.53)	(16.00)
Closing of defined benefit obligation	166.73	133.67
Principal actuarial assumptions		
Discount Rate	6.93	6.84
Salary escalation rate p.a.	6.93	6.84
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 34: EMPLOYEE BENEFITS (CONTD.)

Sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

No.	Particulars	Sensitivity level	March 31, 2021	March 31, 2020
1	Discount Rate	1% Increase	(17.03)	(13.88)
		1% Decrease	19.83	16.22
2	Salary	1% Increase	18.67	16.03
		1% Decrease	(16.49)	(13.99)
3	Employee Turnover	1% Increase	(0.43)	(0.67)
		1% Decrease	0.45	0.71

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

(₹ in Lakhs)

No.	Particulars	March 31, 2021	March 31, 2020
1	Within the next 12 months (next annual reporting period)	13.42	9.35
2	Between 2 and 5 years	50.82	43.78
3	Beyond 5 years	387.12	304.82

Unfunded Scheme - Gratuity

(₹ in Lakhs)

No.	Particulars	MARCH 31, 2021	MARCH 31, 2020
	Amount recognised in balance sheet		
	Present value of funded defined benefit obligation	8.93	9.13
	Fair value of plan assets	-	-
	Net unfunded obligation	8.93	9.13
	Expense recognised in the statement of profit and loss		
	Current service cost	1.75	1.46
	Interest on net defined benefit asset	0.62	0.63
	Total expense charged to profit and loss Account	2.37	2.09
	Amount recorded as other comprehensive income		
	Opening amount recognised in OCI outside profit & loss Account	(0.31)	(1.02)
	Remeasurements during the period due to:		
	Return on plan assets	-	-
	Actual (gain)/loss on obligation for the period	(1.31)	0.71
	Closing amount recognised in OCI outside profit & loss account	(1.62)	(0.31)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 34: EMPLOYEE BENEFITS (CONTD.)

(₹ in Lakhs)

No.	Particulars	MARCH 31, 2021	MARCH 31, 2020
	Reconciliation of net liability/(asset)		
	Opening net defined benefit liability/(asset)	9.13	8.29
	Expense charged to profit and loss account	2.37	2.09
	Amount recognised outside profit and loss account	(1.31)	0.71
	Employer contributions	(1.27)	(1.96)
	Closing net defined benefit liability/(asset)	8.92	9.13
	Movement in benefit obligation		
	Opening of defined benefit obligation	9.13	8.29
	Current service cost	1.75	1.46
	Interest on defined benefit obligation	0.62	0.63
	Actuarial loss/(gain) arising from change in financial assumptions	(0.13)	1.04
	Benefits paid	(1.27)	(1.96)
	Actuarial loss/(gain) on obligation -Due to Experience	(1.17)	(0.33)
	Closing of defined benefit obligation	8.93	9.13
	Principal actuarial assumptions		
	Discount Rate	6.95	6.84
	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 Lakhs)

No.	Particulars	Sensitivity level	March 31, 2021	March 31, 2020
1	Discount Rate	1% Increase	(1.09)	(1.10)
		1% Decrease	1.31	1.32
2	Salary	1% Increase	1.30	1.31
		1% Decrease	(1.10)	(1.11)
3	Employee Turnover	1% Increase	(0.03)	(0.04)
		1% Decrease	0.03	0.05

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

(₹ in Lakhs)

No.	Particulars	March 31, 2021	March 31, 2020
1	Within the next 12 months (next annual reporting period)	0.18	0.65
2	Between 2 and 5 years	0.89	0.85
3	Beyond 5 years	26.22	25.52

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE 35: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2020-2021, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.

(₹ in Lakhs)

No.	Particulars	MARCH 31, 2021	MARCH 31, 2020
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	1,024.29	707.59
2	Interest due on above	-	-

NOTE 36: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW:

Sr No.	Particulars	Country of incorporation
(i)	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives (Associates)	
1	Acrycol Minerals Limited	India
2	Meccanica Plast Private Limited	India
3	C P Sports Venture Private Limited	India
4	Ashwanila Charitable Trust, Bhavnagar	India
(ii)	Key Managerial Personnel	
5	Mr. Ashwin M Parekh (Deceased on 22nd July, 2019)	
6	Mr. Chirag A Parekh	
7	Dr. Sonal V Ambani	
8	Mr. Jagdish R Naik	
9	Mr. Ajit R Sanghavi	
10	Mr. Pradeep H Gohil	
11	Mr Rustam Mulla (w.e.f. March 17, 2020)	
12	Mr. M J Smyth	
13	Mr. Anand H Sharma	
14	Mr. Damodar H Sejpal (upto January 31, 2020)	
15	Mrs. Neha Poddar (w.e.f. February 1, 2020)	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 36: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW: (CONTD.)

Nature of transaction	Relationship	Year ended MARCH 31, 2021	Year ended MARCH 31, 2020
Associates			
1. Purchase of materials			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	1,520.47	1,418.35
2. Rent received			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	0.15
3. Corporate Social Responsibility			
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	29.62	10.00
4. Donations			
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	1.68	3.51
5. Sales promotion expenses			
C P sports Venture Private Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	7.23
Outstanding Balances:			
1. Other current assets			
Ashwanila Charitable Trust, Bhavnagar	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	4.27	3.98

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 36: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIVEN BELOW: (CONTD.)

Meccanica Plast Private Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	-	3.60
Total...		4.27	7.58
2. Advances to suppliers			
Acrycol Minerals Limited	Enterprises owned or significantly influenced by Key Managerial Personal or their relatives	257.95	171.41
Key management personnel and relatives			
1. Remuneration			
Mr. Chirag Parekh	Chairman & Managing Director	200.00	181.33
Mr. M J Smyth	Director (Acrysil UK Limited)	102.38	112.99
Mr. Anand Sharma	Chief Financial Officer	36.77	38.07
Mr. Damodar Sejjal	Company Secretary	-	12.96
Mrs Neha Poddar	Company Secretary	10.86	2.13
Mr. Dhaval Patel	Company Secretary (Acrysil Steel Limited)	-	2.42
Total...		350.01	349.90
2. Professional Fees			
Mr. Ashwin M Parekh	Chairman Emeritus	-	7.20
3. Loan repaid			
Mr. Chirag Parekh	Chairman & Managing Director	40.00	30.00
4. Loan taken			
Mr. Chirag Parekh	Chairman & Managing Director	40.00	20.00
5. Interest paid			
Mr. Chirag Parekh	Chairman & Managing Director	0.84	0.99
6. Sitting Fees			
Dr. Sonal Ambani	Independent Director	3.25	2.70

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

NOTE 36: AS PER IND AS 24, DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES (AS IDENTIFIED BY THE MANAGEMENT) AS DEFINED IN IND AS ARE GIEVN BELOW: (CONTD.)

Mr. Jagdish R Naik	Independent Director	1.85	2.50
Mr. Ajit R Sanghavi	Independent Director	2.30	2.10
Mr. Pradeep H Gohil	Independent Director	3.05	2.80
Mr Rustam Mulla	Independent Director	1.95	0.20
Total...		12.40	10.30
Outstanding Balances:			
1. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	0.85	-

NOTE 37: DISCLOSURE IN TERMS OF SCHEDULE III OF THE COMPANIES ACT, 2013

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
1. Parent								
Acrysil Limited	79.12	15,144.02	68.06	2,662.64	101.05	(18.33)	67.90	2,644.31
2. Subsidiaries								
Acrysil Steel Limited	8.90	1,703.89	3.33	130.30	5.24	0.95	3.37	131.25
Acrysil Appliances Limited	0.54	104.17	0.12	4.89	-	-	0.13	4.89
Sternhagen Bath Private Limited	0.01	1.62	(0.03)	(1.06)	-	-	(0.03)	(1.06)
Acrysil UK Limited	7.98	1,526.69	21.67	847.65	-	-	21.77	847.65
Acrysil Gmbh	(0.71)	(136.11)	6.87	268.78	-	-	6.90	268.78
Acrysil Products Limited	19.56	3,743.71	22.84	893.77	-	-	22.95	893.77
Add/(Less): Inter-company adjustments	(15.39)	(2,946.53)	(4.67)	(894.61)	4.19	(0.76)	(22.99)	(895.37)
Total...	100.00	19,141.48	100.00	3,912.36	100.00	(18.14)	100.00	3,894.22

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

- 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 Lakhs, unless otherwise stated.
- 40 Previous year's figures are regrouped and rearranged, wherever necessary.

As per our report of even date

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

ASHISH DAVE
Partner
Membership No. 170275

Bhavnagar
May 20, 2021

For and on behalf of the Board of Directors

CHIRAG A PAREKH
Chairman & Managing Director
DIN: 00298807

ANAND SHARMA
Chief Financial Officer

New York/Mumbai
May 20, 2021

JAGDISH R NAIK
Director
DIN: 00030172

NEHA PODDAR
Company Secretary

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART "A": SUBSIDIARIES

(₹ in lakhs)

Sr. No.	Particulars	Details				
		Acrysil Steel Ltd.	Sternhagen Bath Pvt. Ltd.	Acrysil GmbH, Germany	Acrysil Appliances Ltd.	Acrysil UK Limited (Group)
1	Name of the subsidiary					
2	Reporting period for subsidiary concerned, if different from the holding company's reporting period	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
3	Reporting currency and Exchange rate as on last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	EURO	INR	GBP
4	Share capital	541.00	10.00	171.48	100.00	667.74
5	Reserves & Surplus	1162.90	(8.38)	(43.43)	4.18	3231.80
6	Total Assets	3337.55	2.52	411.54	114.91	6276.86
7	Total Liabilities	1633.65	0.90	283.49	10.73	2377.32
8	Investments	-	-	-	-	-
9	Turnover	2361.17	-	584.26	-	6371.94
10	Profit before taxation	186.35	(1.06)	268.78	6.61	1136.71
11	Provision for taxation	56.05	-	-	1.71	204.04
12	Profit after taxation	130.30	(1.06)	268.78	4.90	932.67
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	84.99%	84.90%	100%	100%	100%
15	Rupee Equivalent of 1 Unit of Foreign Currency as at March 31, 2021	N.A.	N.A.	85.80	N.A.	100.96

PART "B": ASSOCIATES AND JOINT VENTURE

Statement Pursuant to section 129(3) of companies act, 2013 related to Associates and Joint Venture

Name of the Associates / Joint Venture	
1. Latest audited Balance Sheet Date	NOT APPLICABLE
2. Shares of Associates / Joint Ventures held by the Company on the year end	
No.	
Amount of Investment in Associates / Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the Associates / joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	
i. Not Considered in Consolidation	

For and on behalf of the Board of Directors

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

Jagdish R. Naik
 Director
 (DIN: 00030172)

Anand Sharma
 Chief Financial Officer

Neha Poddar
 Company Secretary

Date: May 20, 2021

Place: New York/ Mumbai



Regd. Office:

B-307, Citi Point, J.B Nagar,
Andheri - Kurla Road, Andheri (East),
Mumbai - 400059 (India)
Phone: + 91-22-40157817/18/19
E-mail: cs.al@acrysil.com
Website: www.carysil.com;
www.acrysilcorporateinfo.com

Factory And Head Quarter:

Bhavnagar - Rajkot Highway,
Navagam, Vartej - 364060,
Bhavnagar (India)
Phone: +91-278-2540218, 2540893
Fax: +91-278-2540558
Email: Info@carysil.com
CIN: L26914MH1987PLC042283