

**Date: August 19, 2019**

To,  
Corporate Relations Department  
**Bombay Stock Exchange Limited**  
2nd Floor, P.J. Towers,  
Dalal Street,  
Mumbai-400 001

**Scrip Code: 524091**

**Sub.: Regulation 34 - Annual Report for financial year 2018-19**

Dear Sir/Madam,

The 32nd Annual General Meeting ('AGM') of the Company will be held on Friday, September 13, 2019 at 03:30 P.M. at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra - 400 020. Pursuant to Regulation 34(I) of Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19.

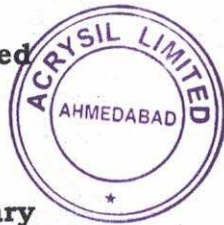
The Annual Report containing the Notice is also uploaded on the Company's website at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9269ANNUAL%20REPORT%202018-19.pdf>

You are requested to consider the same for your reference and record.

Thanking you,

Yours faithfully,  
**For Acrysil Limited**

*D Sejal*  
Damodar Sejal  
**Company Secretary**



**ACRYSIL LIMITED** (ISO 9001 : 2015 ; 14001 : 2015 and BS OHSAS 18001 : 2007)

Visit us on : [www.carysil.com](http://www.carysil.com)  
[www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

**Factory & Head Quarter :**

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**CARYSIL**

Kitchen Sinks &  
Built-in Kitchen Appliances

**STERNHAGEN**  
GERMANY



**Acrysil Limited**



**IDEAS  
TO  
OUTCOME**

**BRAND DEVELOPMENT  
TALENT ACQUISITION  
GLOBALISATION  
EXPANSION  
INNOVATION  
DIVERSIFICATION**

**32<sup>ND</sup>  
ANNUAL  
REPORT  
2018-19**

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**Caution regarding forward-looking statements:** This document contains statements about expected future events and financial & operating results of Acrysil Limited ("the Company") which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of the Acrysil Limited Annual Report 2018-19.

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# A TRIBUTE TO CHAIRMAN EMERITUS



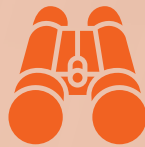
Late Shri Ashwin M. Parekh, Founder and Chairman Emeritus of Acrysil, was born in July, 1939 and passed away in July, 2019. Under his guidance, the company progressed by leaps and bounds, and achieved its status of a dominant player in the market. Thanks to his continuous hard work and zeal, Acrysil is a global phenomenon for Composite Quartz Kitchen Sinks.

Mr. Parekh was one of the greatest industrialists in Bhavnagar. Apart from Acrysil, he had established Industrial Jewels Pvt.Ltd., Meccanica Plast Pvt. Ltd, and other organizations. His leadership and guidance motivate Acrysil to keep traversing on the path laid by him and realise the future he envisioned for the company.

We salute the man who built our past, strengthened our present, and blessed our future. May his soul rest his peace.

❧ "ACRYSIL FAMILY" ❧

# OUR IDENTITY



## VISION

To be the leading player in  
Kitchen and Bath sinks.



## 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



## CORE VAUES

Creativity

Passion

Precision

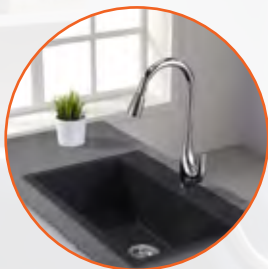
Diversity

# IDEAS TO OUTCOME

Breakthrough ideas and their effective outcomes have been the foundation of evolution. An idea which brings positivity and a significant change in the lives of people, thereby empowering them to accomplish tasks in a better way, is what defines success. Curating world-class ideas and achieving the best designs which is backed by superior technology and deliver aesthetically appealing products is what drives our business. At Acrysil, we stay committed to constantly innovate that has laid the ground work for growth since the firms founding. We dream big as a team and ours are collective dreams as we want to deliver the best-in-class products that represent lavishness with unprecedented creativity to the global market. Never compromising with quality has been the motto over the years, and the variety of kitchen and bathroom products are evidence of our hard work. The models of our products and their variation over the years signify our willingness to innovate and provide customers multiple options. For three decades, Acrysil

has been able to transform ideas of stylish and efficient sinks and faucets. The outcome has been a never-ending trust of the customers on the products and a constant upsurge in sales.

With the aim of becoming one of the most popular and trusted brands globally, Acrysil looks to sustain its progress and amplify it for the future. We strive to challenge ourselves and reinvent our products so as to ensure market presence and enhance the customer experience. Today Acrysil is one of the most sought-after brands in India as well across 50 countries around the world, with the ever-growing list of clientele. Our firm was able to achieve this by embracing the entrepreneurial spirit that is required to nurture growth and prosperity for the organization we lead and serve. Success is the only constant when the heart and mind are concentrated on the singular aim of providing nothing but the best to the people. This is what drives Acrysil, and will motivate us to continue our winning stride.





# CORPORATE INFORMATION

## Chairman and Managing Director

Mr. Chirag A. Parekh

## BOARD OF DIRECTORS

Dr. Sonal V. Ambani, Independent Director  
Mr. Jagdish R. Naik, Independent Director  
Mr. Ajit R. Sanghvi, Independent Director  
Mr. Pradeep H. Gohil, Independent Director

## COMPANY SECRETARY

Mr. Damodar H. Sejpal

## CHIEF FINANCIAL OFFICER

Mr. Anand H. Sharma

## 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

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradeep H. Gohil, Chairman  
Dr. Sonal V. Ambani, Member  
Mr. Jagdish R. Naik, Member  
Mr. Ajit R. Sanghvi, Member

## 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)  
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Fax: +91-22-2825 8052  
CIN: L26914MH1987PLC042283  
Website: [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com), [www.acrysil.com](http://www.acrysil.com)

## REGISTRAR & TRANSFER AGENT

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Fax: +91-22-2847 5207  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## INVESTOR CONTACT

Mr. Damodar H. Sejpal  
Company Secretary and Compliance Officer  
C/o. Acrysil Limited, 4, Indraprasth Corporate  
Opp. Shell Petrol Pump, 100 ft Road  
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Ahmedabad - 380 015  
Ph: +91-79-4003 4112  
E-mail: [cs.al@acrysil.com](mailto:cs.al@acrysil.com)

## BANKERS

HDFC Bank Limited  
Kotak Mahindra Bank Limited  
Citibank N.A.

## WORKS

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Fax: +91-278-2540 558.



## CHAIRMAN AND MANAGING DIRECTORS MESSAGE

*“We have a strong sustainable business growth model”*

### Chirag Parekh

Chairman & Managing Director

Dear shareholders,

**It is with deep sorrow that I write to inform you regarding the passing away of our beloved Founder & Chairman Emeritus Shri Ashwin Parekh. On behalf of the Board Members and the shareholders, I salute the man who has built our past, strengthened our present and blessed our future. His blessings will forever guide us to the success and growth he had envisioned for Acrysil.**

In the financial year 2018-19, Acrysil Ltd. achieved even more success as we increased our line of products and gained a stronghold in different markets. By introducing new trends and keeping up with the expectations of our customers, Acrysil has taken another step in becoming

one of the most dominant companies in the industry. By focussing on innovation and striving to make superior products, Acrysil has become even bigger in terms of stature and influence.

It is my belief that our strong foundation primes us to accomplish our short-term (INR 300 cr.), medium-term (INR 500 cr.), and long-term goals (INR 1000 cr.). It is our endeavour to achieve them by fostering human capital, marketing the brand, expanding our influence, increasing capacities, reinventing ourselves and growing our product line. Hence, we look to redefine the industry by continuing our successful stride and prove our dedication towards our investors, customers, employees, and the society. The year was marked by achievements and product innovation. Having existed for more than four decades, our products have become reflective of our hard work, dedication, and attention to detail. From sinks to bathroom appliances, Acrysil is well on its way of redefining kitchen and bathroom appliances.

#### Enhanced Outlook

Acrysil has performed consistently well over the years, and in FY 2018-19 the company continued its run on the back of its superior products and consumer trust. Numerous sinks have been given new looks and colours to make them trendy. Acrysil has been in the kitchen appliance market for more than three decades, and has steadily achieved an enviable stature. From quartz sinks to bathroom appliances, our progress in the industry has been an example of increasing value and perceiving the mind of the consumers regarding



all categories of products in our portfolio. Our financial performance is evidence to our improvement over the last financial year, as we recorded an increase in consolidated Earnings per share of 6.64 (F.V. ₹ 2/- per share) and increase in consolidated Profit After Tax by 42.81%.

### Modernisation

It is evident from our performance over the years that we bank upon new products developed by our research and development team. The thought behind innovation is to increase the value of a certain product in a way never considered before. Acrysil's modern products, provided impetus via its market presence, make way for a home run as they capture every requirement of the user. An important part of modernisation is visualising the future, and all our products are loaded with features which pave the path for our upcoming endeavours.

The concept of 3D tiles is entirely new to the Asian market, while it has been very popular in the US. 3D tiles are built to offer the most premium bathroom experience to the consumers. It is a matter of pride for Acrysil as we are the only company in the world to offer such a product. With technology like Sani-Q being central to 3D tiles, it is our dedication to take the industry a level up.

### New Developments

Sternhagen, one of the brands under Acrysil, is synonymous with the most exquisite and premium bath experience one can have. The cutting-edge technology and designs are meant to impress, while being durable due to being built out of high strength composite quartz. A brand-new SH series has been launched, which is economical and is aimed at getting more project orders. Additionally, we presented Relax 06, a new shower range, Polo and Opale, a range of new ceramics, Platz sinks, a new ceramic vanity basin, urinals in black colour, and Golden and Seerose faucets.

For Carysil, an affordable brand of Acrysil which is popular on a global scale, we launched numerous new projects. Miracle, a palm motion sensor and oil collector, Sand 90, a filter less and oil collector, Sam and Van, oil collectors with auto clean capabilities, are few of the new products we now offer in the market. The ovens in our product portfolio have been upgraded to new features to keep up with the trends, and we launched new BIO-01 and BIO-02 ovens.

### Market Expansion

The vision behind Acrysil has been to change the bathroom and kitchen lifestyle of consumers. All our products, from the latest wine chillers to quartz sinks, are well received and the company has left a mark in the industry pertaining to creativity and excellence. According to the latest trends, the

kitchen and bathroom industry is set to multiply manifold. Keeping this in mind, we have decided to explore markets where we are yet to gain a foothold.

Having tasted success in the US, European and Asian markets, Acrysil is making efforts to foray into new markets, like Latin America. A sign of positivity is that the customers are increasing, which also affirms our stature as a popular brand which pays attention to innovation. The plans of expansion will be taking shape from the year 2020, as we look to capitalise on the presence of our representatives on all major countries of the world.

It is our goal to increase our manufacturing capabilities so as to achieve higher growth. With new products on the line, Acrysil is primed to become the brand associated with all segments of the market. This progress will be backed by reinventing and adding new features to our line of products to make them even more valuable.

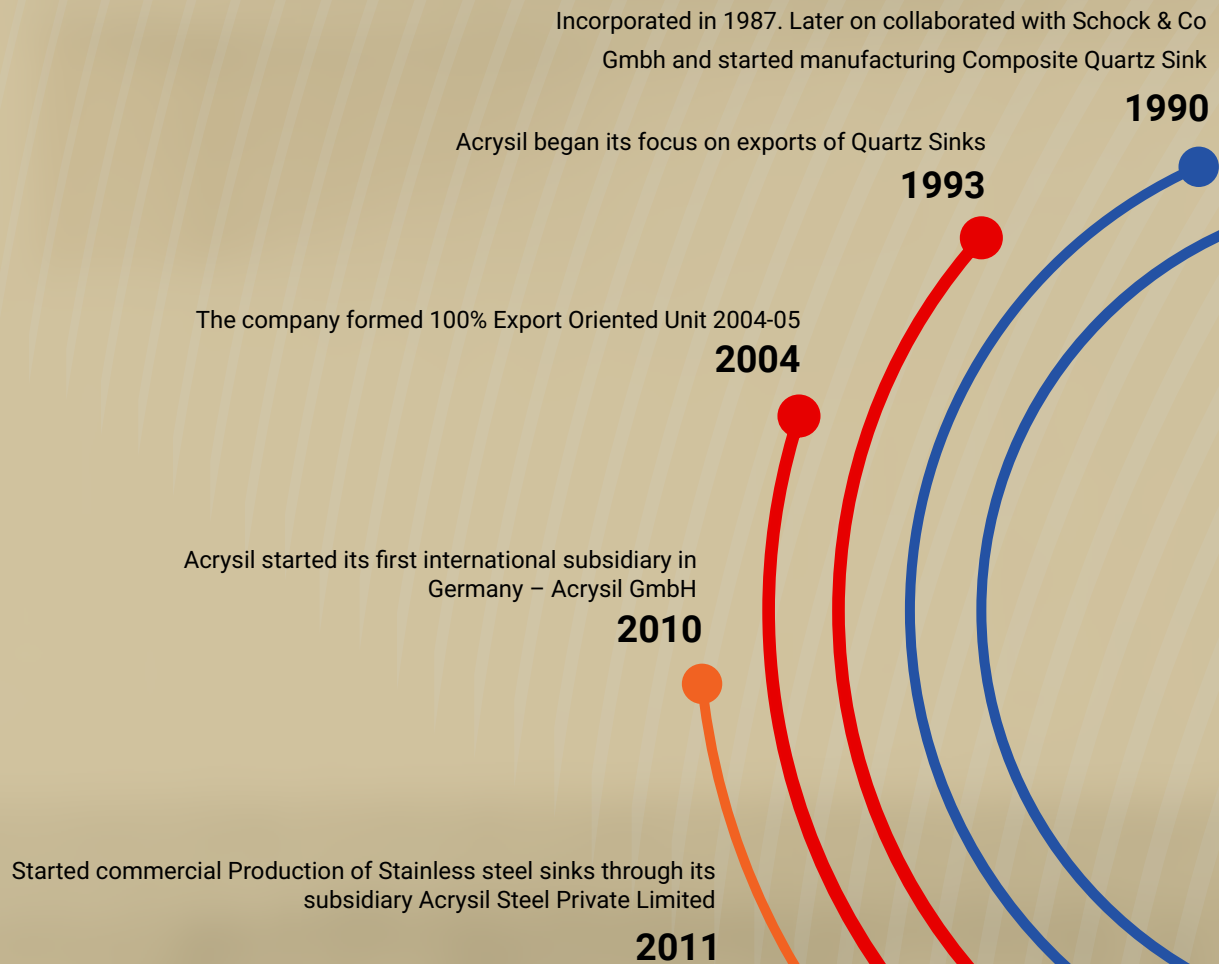
Our consistent performance is evidence of the fact that Acrysil has a strong sustainable business growth model. By developing three different products under its umbrella, ensuring their market penetration, and keeping the customers satisfied with constant innovation is the signature of an organisation on the right track. Your company looks to continue traversing on this path and capitalising on its strengths, so as to enhance our market outlook and become synonymous with excellence, sustenance, and dependability.

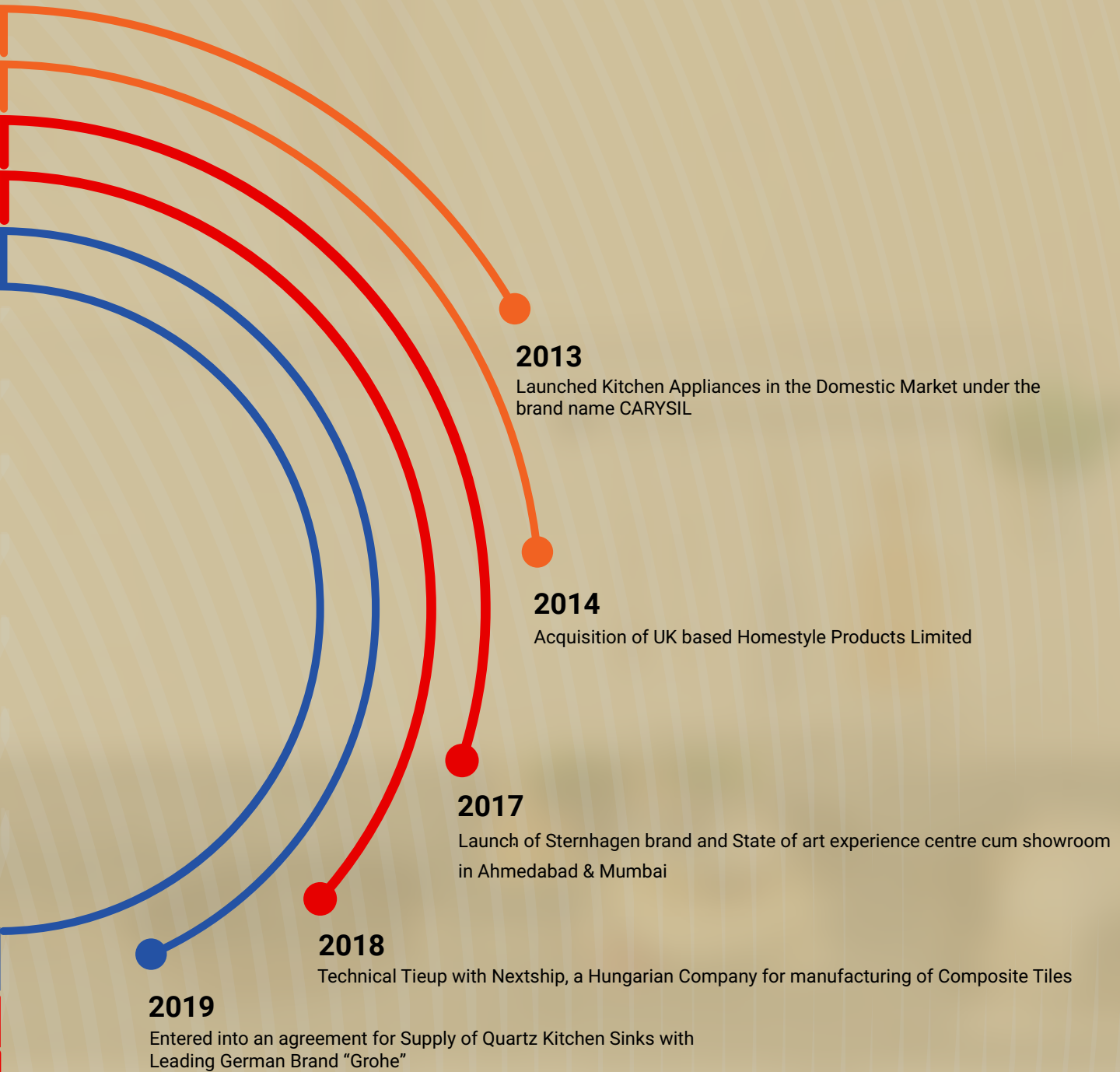
At Acrysil, we continue to believe that our market opportunities are broader. We are taking up initiatives to increase sales for all the products. The bottom-line is we are seizing the day, to emerge better tomorrow while also working hard to strengthen our core to make the business operations more flexible.

I would like to thank the employees, the shareholders, and the government for their never-ending support. Our stature and respect in the industry would not have been possible without their continuous motivation and support. We look forward to the same support in the future.

Regards,  
**Chirag Parekh**  
 Chairman & Managing Director

# MILESTONES





# ACRYSIL AT A GLANCE



**252**  
Revenue



**136**  
Network



**287**  
Market cap



**18**  
PAT



**40**  
EBITDA

(₹ In Crores)







# BOARD OF DIRECTORS



**Mr. Chirag A. Parekh**

Chairman and Managing Director

- A BBA Degree from European University.
- After joining the Company in 1993, he successfully steered it to become one of the Leading Brands; increasing the Turnover from ₹ 3.5 crore in 1993 to ₹ 252 crore in 2019.
- He heads the Company as the Managing Director since 2008 and has been Chairman and Managing Director since 2013.



**Dr. Sonal Ambani**

Independent Director

- A Ph.D in Business Management and an MBA in Marketing and Finance.
- She also 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, Mr. Naik was a partner of a reputed Accounting firm - M/s. S. V. Ghatalia & Associates for more than 9 years. Presently, he advises many companies on corporate matters.
- He is a Corporate Advisor to Excel Industries Limited, Transpek Silox Industry Limited and Shah Granites Group of Companies.

**Mr. Ajit R. Sanghvi**

Independent Director

- A Chartered Accountant by profession, Mr. Sanghvi has extensive experience in financial service industry and stock broking.
- He serves as a Director of Sterling Consultancy Pvt. Ltd., Hrisal Investment Advisors Pvt. Ltd., MSS Securities Pvt. Ltd. and Harileela Investrade Pvt. Ltd.

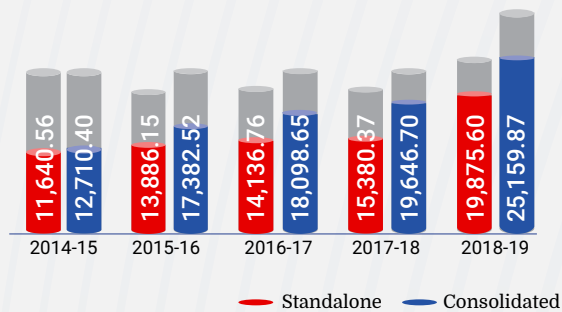
**Mr. Pradeep H. Gohil**

Independent Director

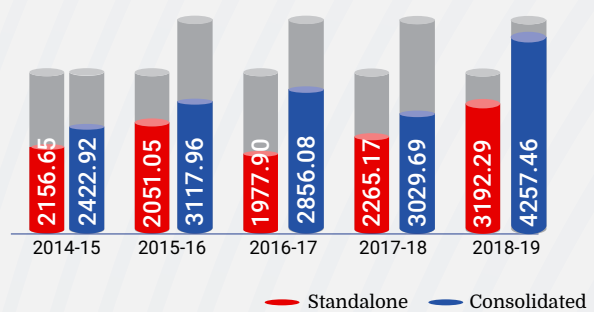
- A highly qualified professional, Mr. Gohil has been associated with various organisations.
- He is also associated with the Rotary Club, Bhavnagar.
- He has experience in the field of Chemical Engineering for more than 35 years.

# FINANCIAL HIGHLIGHTS

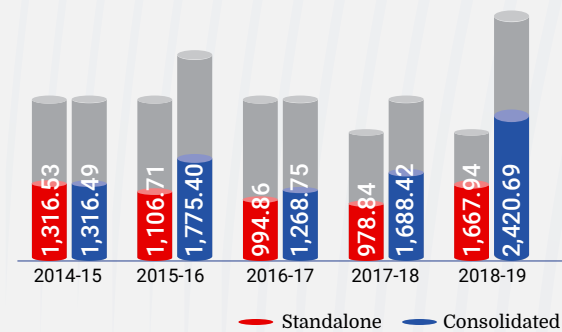
Revenue from Operations (₹ In Lakhs)



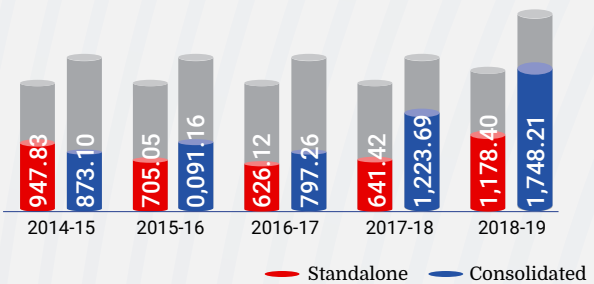
EBITDA (₹ In Lakhs)



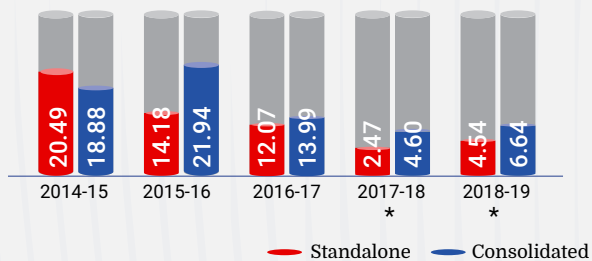
PBT (₹ In Lakhs)



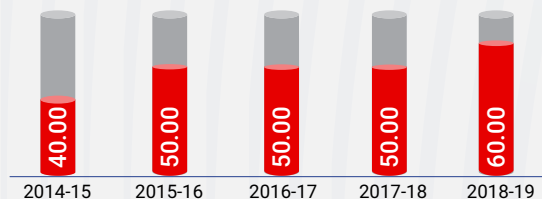
PAT (₹ In Lakhs)



Earning Per Share (EPS) (In ₹)



Dividend History (In %)



\* Face Value of ₹ 2/- per share (Post Split)

# CONSOLIDATED FINANCIAL HIGHLIGHTS

## Operating Results

(₹ In Crores)

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12
Total Revenue	253.73	201.08	183.53	175.62	127.79	107.11	80.13	63.34
Revenue from Operations	251.60	196.47	180.99	173.83	127.1	106.46	79.58	62.7
EBITDA	42.57	30.30	28.56	31.18	24.23	19.2	13.81	8.3
EBIT	33.94	23.15	22.89	25.75	19.96	14.38	9.44	4.49
PBT	24.21	16.88	12.69	17.75	13.16	10.36	6.16	1.74
Tax Expenses	6.72	4.65	4.71	5.61	4.15	2.62	1.35	0.24
Profit after Tax	17.48	12.23	7.97	12.14	9.01	7.74	4.81	1.5
Minority Interest	0.23	0.28	0.71	1.23	0.28	0.02	-0.02	-0.14
Profit after Tax (Inc Subsidiary & JV)	17.25	11.95	7.26	10.91	8.73	7.72	4.83	1.64
Dividend	3.11	2.59	2.59	2.59	1.86	1.8	1.47	1.19
Total Dividend per share	1.20*	5	5	5	4	4	3.3	2.7

\* F.V. of ₹ 2/- (Post Split)

## Financial Position

(₹ In Crores)

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12
Equity Share Capital	5.19	5.19	5.19	5.19	4.66	4.51	4.46	2.97
Reserve & Surplus	127.65	113.11	106.53	74.41	37	29.1	23.4	21.83
Long Term Borrowing	16.57	18.62	20.02	21.77	26.64	10.97	4.78	4.48
Capital Employed	155.95	140.95	135.25	106.31	72.98	46.14	33.43	29.96
Market Capitalisation	287.73	269.31	282.02	251.15	254.2	82.92	38.78	27.37
Gross Block	155.04	138.23	118.62	83.13	72.84	63.07	55.39	47.06
Net Block	95.97	87.84	75.17	45.36	40.47	34.89	32.01	27.74
Investments	-	-	-	-	-	-	-	-
Net Current Assets	29.26	23.47	30.99	35.27	8.72	6.68	0.03	-

## Returns

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12
On Sales (EBITDA)%	16.92	15.42	15.78	17.94	19.06	18.03	17.35	13.24
On Capital Employed (EBIT)%	21.76	16.42	16.92	24.22	27.35	31.17	28.24	14.99
On Shareholders fund (PAT)%	7.81	9.77	7.92	10.26	11.96	16.78	14.45	5.51
Earnings Per Share - Basic & Diluted (In ₹)	6.64*	4.60*	13.99	21.94	18.88	17.19	10.84	5.5
Book Value per Share (In ₹)	200	202.45	172.37	153.4	89.44	74.56	62.49	83.45

\* F.V. of ₹ 2/- (Post Split)

# EXCELLENCE THROUGH PATH BREAKING IDEAS

Every design carries the vision and intricacy of the artist, which makes it a class apart. Sustenance in the market is a stress-free endeavour when the goal is to keep improving the lifestyle by incorporating functionality and flair. Acrysil strives not just to manufacture products, but to realise the goal of elevating how its products are perceived. The zeal for perfection is fuelled by comprehensive research, artistic designs, brilliant engineering, and continuous reinvention. This is evident in our products which reflect our values and vision.

The financial year 2018-19 witnessed new achievements, upgraded products, better market performance, and increase in production capacity. The following points enunciate how we outperformed ourselves in each market:

## QUARTZ SINKS

In the US market, Apron sinks continue to maintain their popularity, thanks to their utility and availability in multiple colours. The TekCarysil brand has seen its share of growth, due to the positive performance of Schock Range and York Sinks. We look to increase our manufacturing capacity to meet the demands of the ever-growing industry and ensure the dependability associated with Acrysil.



## STAINLESS STEEL SINKS

Products like Micro Radius Sink and Square Sink have continued their good performance. This is because of their use of latest technology and providing rich features to the consumers. In the UK market, Homestyle Products Ltd., a company acquired by Acrysil in 2014, has become one of the most popular sink manufacturers in the nation. Their resurrection due to the acquisition of Acrysil is a historical achievement. The company looks to continue on the path laid out by Acrysil for sustainable progress.





**“Acrysil is one of the dominant players in the quartz kitchen sinks industry, and leads the way for quartz sinks by introducing a new composite quartz technology.”**

## KITCHEN APPLIANCES



In the kitchen appliances segment Acrysil boasts a wide range of products, including chimneys, hobs, microwave ovens, cook tops, wine chillers, barbeque grillers, food waste disposers, etc. Our team of experts look to keep adding products to the list which will enhance the kitchen lifestyle of our customers.

In FY18-19, we added a host of new products which underline our commitment to innovate and excel. The existing ovens have been upgraded with new features as per market trend, and a new series of these products, BIO-01 and BIO-02 have been launched. A host of oil collectors have been launched, namely Miracle (having palm motion sensor), Sand 90 (with filters), Sam and Van (both having auto clean capabilities).

## BATHROOM SUITES



Having added a host of premium and luxurious products for bringing innovation to the bathroom industry, Acrysil looks to keep progressing in the same road. Sani-Q, WC, and Opal washbasins have propelled the company to the elite, thanks to the proper incorporation of cutting-edge technology to improve the bathroom experience.

This year, we launched the SH series by Sternhagen (6 WC and 6 WC). This is to meet the requirement of the premium segment and provide them more options. Also, we launched Golden and Seerose faucets, Relax 06 (a new shower range), Polo and Opale (a new ceramic range), Platz series of ceramic vanity basin, health faucets, and urinals in black colour.

# PRODUCTION PROCESS

Progress is underlined by the results of innovation. Reinvention is the essence of keeping up with the trends, and often defining them. It impacts the efficiency and vision of any organization, motivating them to outdo themselves in the quest for creating something extraordinary. The secret is to consider the possibilities, make a decision, and foray into the unknown. The opportunities and the subsequent challenges will help in determining the resilience and belief in the goal. Acrysil has been known to constantly innovate to bring new products in the market and set standards which were never achieved before. For Acrysil, modernisation holds more value than design and demographic. It is the foundation of our business and reflects our vision of reinventing the conventional for adding a new dimension.

“Innovating every step of product manufacturing is core for achieving Mission Zero Rejection”

Raw material process

02

01

Work order issued to production department

03 Preperation of syrup

04 Vessel filling

05 Casting -  
mould filling

06 De-moulding

07 Quality Check

08 Packing

09 Storage of finished goods

10 Dispatch of finished goods

# EXPANDING TO NEW HORIZONS

Acrysil in partnership with the German brand Schock GMBH has dominated the Indian Quartz sink market under the product brand Carysil. This generates an opportunity for both brands to leverage their potential and market presence for delivering great products.

Constant progress must be complemented with increasing influence. The growth of any organization is measured not just by their popularity, but also by their surging capacity to perform in various markets. Additionally, the value of any company is also determined by the aesthetics of their products, which require innovation to keep up with the market trends. Combining resourcefulness with intricate design will yield better products which will enhance the company's image as a go-to brand.

To achieve our goals, every year we are making strides to increasing our market presence and improve the company's growth. For doing this, we are continuously launching new products in the market, backed by our R&D and marketing team. Our consistent performance has gained us the trust of the customers, who think of us whenever the topic of kitchen and bathroom appliances comes up. This is evidence of the fact that our presence is strengthening with each product launch, which motivates us to foray into diverse markets.

The audience has been evolving since the past decade, as their choices centre around both quality and aesthetics. Even luxury items are desired to be functional and durable, which presents Acrysil a chance to gain a strong foothold.

The kitchen appliances segment has been on the rise since the consumer expenditure on luxury products increased, and other factors like increase in the working women population, increased construction of premium apartments, and more distributors in the ever-expanding retail sector. Experts say that the kitchen appliances industry will be growing at a CAGR of more than 23% during the period 2016-2021.

In both the US and the European markets, Acrysil is well placed to make good use of the opportunity and generate more sales of kitchen sinks, kitchen appliances, and bathroom suites.



Thanks to our global outreach, we are deft at understanding trend patterns and reinvent our products accordingly. This gives us enough time to ensure that our products are the first to come with the latest features. Having presence in 50 countries already, we are steadily moving towards our goal of penetrating markets of 70 countries across the globe.





# OUR BUSINESS FOOTPRINTS

## GLOBAL PRESENCE

-  Sales Distributor Network
-  Our Offices



### Marcus Smyth

MD-UK Operations

Homestyle Products Ltd., UK  
A Subsidiary of Acrysil UK Ltd.

Homestyle UK is a popular name for the importing and marketing of kitchen sinks, especially in the UK market. The company provides solutions to its customers by offering deals in quartz sinks, steel sinks, taps and accessories, and other traded products. Homestyle has achieved a turnover of GBP 5.7 Million during FY19, and Acrysil UK Limited owns 98.75% of its stake.

The popularity of our products in the US and UK markets has significantly increased as we keep on adding new features. In various markets we have gained recognition, and Acrysil looks to continue on this path by becoming a global player.

For market dominance, Acrysil looks to acquire small or large businesses. This move has seen success in major nations, as our range of products are being distributed by local businesses. This is a win-win situation as the company grows by leaps and bounds, and the products continue to impress a larger section of customers.

## Homestyle Products Ltd., UK FY 2019

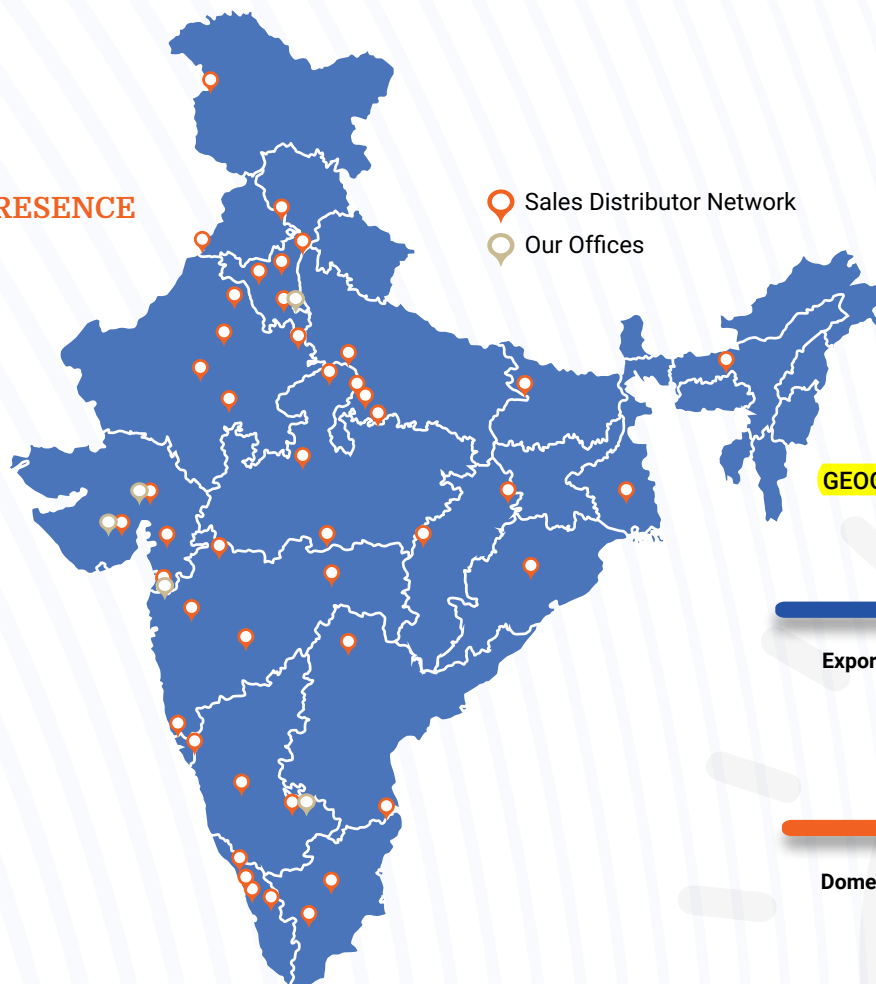
Revenues  
(MN.GBP)

5.7

Revenues From  
Quartz Sinks  
(₹ Crores)

21.1

## INDIA PRESENCE



## GEOGRAPHY-WISE REVENUE

### FY 2019

Exports

# 71%

Domestic

# 29%

Acrysil has a market presence in more than 50 countries across the world. Through its brands Carysil, TekCarysil, and Sternhagen, the company has foothold in major nations like Germany, US, UK, South Africa, and Australia.

Acrysil is confident and motivated to enter more markets for increasing brand value and consumer outreach. In the past year, our presence in the market has increased as we keep on earning more customers. There is a high demand for our modular kitchen as consumers are considering aesthetic value while shopping for appliances. With representatives in almost every major nation, Acrysil is col-

laborating with small and big companies to increase its influence. With the launch of new products, we look to gain foothold in multiple countries. Abiding by the international standards

All products of Acrysil follow the standards set by IAPMO, a US-based reputed Plumbing Certification. For the Canadian market, we have the certification of Canadian Standard Association (CSA). Every product, be it wash basin or kitchen sink, manufactured and sold in these markets meet the required standards.

# NEW OPPORTUNITIES

Quality remains the king, no matter how costly or appealing a product might be. Our strive towards improving the quality of our products has brought us praise, trust, and continuous success. Over three decades of hard work and commitment has brought us distinction and made us synonymous with excellence and modernisation.

The market has grown extensively over the years, and so did we to keep up with it. Becoming an international brand brings completely new levels of challenges and growth opportunities. Even consumers are more cognizant, and if a product does not win their heart and mind it will not be popular. However, we are confident to impact the industry the same way we have been doing since our inception. Following are the major points to ensure growth through an inclusive approach:

- Provide products which are superior in terms of performance and design
- Improve the brand value
- Focus on the direction of the market

Our business plan is focussed on long-term progress and is backed by a strategy which prioritises the consumer and product development. Focus will also be laid on effective marketing via

- Conducting and taking part in events which are primarily for enhancing design and productivity
- Interact with stakeholders, distributors, interior designers, architects, etc.
- Actively support conferences, both domestic and international

Acrysil has ensured that its products are regularly showcased on various events to popularise their strengths. By taking part in various tournaments, conferences, meetings, and much more, Acrysil makes sure that by meeting with the right people, the overall ambience and brand space in the industry remains positive. This endeavour also helps in bringing elite customers under our brand.

The print and OOH media have been one of our pillars for reaching out to the audience. However, we are also testing various digital platform to establish our online presence.



# MOVING FORWARD

The economy has seen its share of high and lows, mostly the latter, over the last year. A lot of reasons contributed to this; however, major nations have decided to fix things up and create a trustworthy economic environment. The Indian economy too is on the right path of improving its growth rate and experts anticipate better times for the commercial scenario of the nation.

The kitchen sink industry is surrounded by positivity and confidence, as it is expected to grow at a decent rate. At a CAGR of 4.76% by 2021, the industry is expected to be valued at USD 34 Billion. For Acrysil, which has a global presence in more than 50 nations, this is a great opportunity.

Efforts are being made to reduce the overall costs and increase the manufacturing output, by incorporating latest technology and high-quality materials. Our R&D department continues to contribute towards better manufacturing techniques and adding new features to our line of products.

## ACRYSIL'S RANGE OF PRODUCTS

The number of mobile families is increasing, this presents a chance for us to improve your target audience. The domestic kitchen appliances industry is growing constantly and will be central to our future goals. Our range of sinks, dishwashers, wine chillers, and more are appealing to the masses, which makes popular in that segment.

Our aim is to capitalise on our most premium product- 3D tiles. Manufactured by Sternhagen, we look to popularise the product and make sure that Acrysil's market influence increases by many folds. With these top-of-the-line tiles, a premium bathing experience will be possible for anybody.

At Acrysil, we work while keeping the future in mind. Consistent performance is gained by strong work ethics, a zeal to excel, and hard work, and our products reflect them. From sinks to premium tiles, we at Acrysil give each product equal importance and dedication, because they represent us in the industry. It is our aim to keep using modern technology and combine it with our line of products, so as to reinvent them and provide better options to the customer.

## FINANCIAL PERFORMANCE FOR 2018-19

- Standalone Revenue increased 26.77% to ₹ 201.49 crores in FY19, against ₹ 158.93 crores in FY18.
- On a Consolidated basis the revenue of the Company increased by 26.18% to ₹ 253.73 crores in FY19 from ₹ 201.08 crores in FY18.
- International Sales, including Exports Sales registered a growth of 28.27% and increased to ₹ 177 crores in FY19, compared to ₹ 138 crores in FY18.
- Domestic sales grew 27.12% to ₹ 75 crores in FY19, against ₹ 59 crores in FY18.
- On a Standalone basis, PAT increased to ₹ 11.78 crores in FY19 as compared to PAT ₹ 6.41 in FY18 and on a consolidated basis, PAT increased by 42.81% to ₹ 17.48 crores in FY19 from ₹ 12.24 crores in FY18.
- Company Directors have recommended a dividend of 60%.



# HUMAN CAPITAL

Success is achieved by the combined effort of a group of people dedicated towards a singular goal. The greatest of mankind's achievements have been a result of a team with determination and proper guidance. At Acrysil, it is our commitment towards a better future to hire talented individuals, and nurture them for having a bright future. As a result, the employees will be efficient, skilled, and gratified. The work ethics at Acrysil are meant to improve efficiency, promote partnerships, and foster innovation. We believe in effective communication, professional ambience, and implementation of the best human resource practices. Acrysil is appreciated for ensuring the proper care of employees by making all company processes transparent. We have received a host of awards and accolades by numerous reputed juries.

## Key people activities in FY18-19

- Conduct a Blood Donation Camp with "Bhavnagar Blood Bank" on 18th April, 2018, a total 19 employees have donated their blood.
- Conduct a Fire Fighting training on 28th April, 2018 and a total of 19 participants have participated in the training.
- First Kaizen Session conducted by Arvin Trivedi.
- Preparation of external IMS re-certification audit scheduled from 27th to 29th August, 2018
- Team Building training, Business Image and Etiquette and Effective Communication training by Mr. Amit Khanolkar.
- Celebrated a series of sporting events where everyone in the organisation were able to showcase their sporting talent.
- Felicitating best performers for the year and conducted an award distribution programme on 19th October.
- QM & 5S Training given by Dr. Ratankumar Sing to Front Line Mangers on 17th & 18th January, 2019.
- 7 QC Tools & 7 Management Tools training given by Dr. Ratankumar Sing to front Line Mangers on 22nd & 23rd February, 2019.

## OUR CORE TEAM



**Anand Sharma**  
Chief Financial Officer



**Rakesh Pardeshi**  
Chief Operating Officer



**Damodar Sejpal**  
Company Secretary



**Manish Thakkar**  
Sr. GM - Operations



**Praduman Zala**  
GM - Exports



**Mitesh Chauhan**  
GM - Exports



**Amithaabh Upadhyay**  
VP - Sales & Marketing



**Rajesh P. Chaube**  
GM - Sternahagen



**Yogesh J. Visavadiya**  
Head - HR



**Manjari Sah**  
Head - Marketing & Branding

## OUR CORE INTERNATIONAL TEAM



**Marcus Smyth**  
MD - UK Operations



**Amanda Marins Asevedo**  
Marketing Consultant  
Brazil



**Charlie Chu**  
Sales Operations -  
China



**Merle Wigger**  
Business  
Development Sales  
Head - Germany



# CREATING A DIFFERENCE

Togetherness within diversity drives an organisation towards growth and sustenance. Both these factors are equally important and determine the journey of a company. A good corporate citizenship is always promoted to ensure professionalism and devotedness towards the work ethics. It is our constant endeavour to be seen as a company which lays emphasis on looking after its corporate social responsibility.

The CSR Committee at Acrysil is formed of three members of the Board. The Chairman of the CSR Committee is The Chairman of the Board and two Independent Directors are Members.



In 2018, we provided a dialysis machine to a medical centre supported by an NGO, which is in operation since 2001 and has conducted medical camps in and around Bhavnagar. The medical centre provides support to the needy, and helps them avail numerous facilities and medicines at concessional rates.

# MANAGEMENT DISCUSSION AND ANALYSIS



## Global Economy

Almost a year ago, the world economy was progressing at a constant pace, and it was anticipated that by 2018 the growth rate would be 3.9%. However, the scenario has changed now due to trade tensions between US and China, economic stress in Turkey and Argentina, stricter credit policies in China, problems in the automobile sector in Germany.

Global growth has continued to soften this year. Subdued investment in emerging market and developing economies (EMDEs) is dampening potential growth prospects. Risks to the outlook remain firmly on the downside, including the possibility of escalating trade tensions. Another concern is rising debt, which may make it difficult for EMDEs to respond to adverse

developments and to finance growth-enhancing investments.

In advanced economies, monetary policies were normalized, which also played a role in the weakening of the world economy. This run is expected to continue till the first half of 2019 as the World Economic Outlook (WEO) anticipates a slump in the growth of global economies by 70%. The global growth in 2019 is expected to be around 3.3%, which is a significant fall considering that this figure for 2018 and 2017 was 3.6% and 4% respectively. The expected rate is not dismal, but it will prove a challenge for developing and advanced economies who will be tackling numerous uncertainties in a short span of time.

The year might have kicked off with a slow rate of growth, however, the second half of the year is expected to regain the lost form of the global economy. The absence of inflationary pressures and major policy accommodations by major economies will prove helpful. As a reaction to the increasing global risks, the US Federal Reserve decided to keep the interest rates

the same and it looks like it will not be increased any time soon. A safe stance has also been taken by the European Central Bank, the Bank of England, and the Bank of Japan. For countering the negative effects of trade tariffs, China decided to ramp up its monetary and fiscal stimulus. Also, with officials from US and China coming to an agreement, the world trade seems to be foraying into a better scenario. All these steps have ensured the resurgence of economies worldwide and smoother trade between nations. As a result, there will be improvement in terms of portfolio flows, sovereign borrowing costs, and the strengthening of currencies in comparison to the dollar. There seems to be a rapid expansion in financial market, however the real economies will take time to get back on track.

The expected improvement in the global economy during the second half of 2019 will be carried on to 2020, as the growth rate in the latter year is anticipated to be 3.6%. The economic tensions in Turkey and Argentina are said to be eased, while other emerging market will have lesser stress. The contribution of China and India towards the world income will play a significant role in raising the growth rate to 3.5% in 2020. However, advanced markets will experience a slight slump due to the United States' fiscal stimulus fading, hence impacting the growth rate. If the current trend continues for a longer period of time, the global growth rate can go up to 5%.

The overall scenario looks very promising at the moment. However, there are certain risks looming over various economies which can have worldwide impact. Tensions can rise again between countries which could have repercussions on other industries and supply chains all over the world. The uncertainty surrounding Brexit is still high, and the growth in China might take a hit. There are vulnerabilities surrounding huge debts in private and public sectors, but they can be solved to a certain extent on particular scenarios, for example, a no-deal Brexit or a risk-off episode.

The current economic scenario could take a major hit, owing to weak expansion plans in important parts of

the world, and a realization of numerous downside risks which concern various economies. All this will happen at a time when fiscal space and conventional monetary cannot be used effectively as a contingency plan. Therefore, to avoid such a mishap, it is essential to prevent costly policy mistakes. The policymakers around the world need to cooperate with their respective governments to make sure that policies do not weaken the investments. The public debt needs to be sustainable, and optimal solutions depend on problems specific to certain economies. Macprudential tools must be deployed for tackling vulnerabilities in the financial sector. To ensure that inflation stays at a certain level, the monetary policies must be based on comprehensive data and must be communicated well between the policymakers.

This financial year is crucial for long-term success of global economy. In case the risks do not materialize and policy supports is put effectively in place, the worldwide growth will be back to 3.6% in the year 2020. However, if major risks emerge, then the anticipated recovery of many economies will not be possible. On the basis of the circumstance, the policymakers may have to adjust policy across nations. Synchronization makes fiscal stimulus more useful as it finds the signs which will improve household confidence, and with the help of mitigation of leakages through imports. Finally, for retaining an effective global safety net, adequate resources for multilateral institutions must be managed, ultimately stabilizing the global economy.

## Indian Economy

The Indian economy began the FY 18-19 on a strong note with 6.8% growth in the first quarter. This was possible thanks to domestic resilience. Due to increasing global volatility due to trade disputes, and normalised monetary policies in major economies, the growth rate slumped to 7.3% in the next quarter. Also, the Indian Rupee performed badly due to crude price shock and the situation worsened in advanced economies as the investments had stopped.

Even though the growth has not been flamboyant, the nation still remains as one of the fastest growing economies in the world, and one of the least affected from the worldwide economic slump. The policy changes by the government and strong macroeconomic fundamentals had prevented any major damage to the Indian economy.



Economic Survey projected GDP growth of 7% for FY 2019-20. To become 5 trillion economy by 2025, India need a sustained GDP growth of 8%. It is expected that the Indian economy will regain their growth rate based on higher private investment, robust consumptions and enhanced focus on infrastructure development. The implementation of reform measures has boosted the macroeconomic fundamentals, as a result of which investments have been high and banking sector concerns are not an issue. Recapitalisation of banks will provide much needed liquidity and creating investment atmosphere. All these factors combined will ensure a sustained growth of Indian economy. The nation is already ahead of major economies like France, and is presently the sixth-largest economy. If current trends continue, then by the end of 2019, the nation will become fifth-largest, and might be the third-largest in 25 years.

The scenario looks positive as of now, however, there are risks lurking which can impact the growth of the economy. Both geopolitical and domestic risks are present, which can hurt the fiscal and account deficit. The government is focussing on quicker implementation of policies, with many of them key to the economy. Since the main focus is infrastructure development, the government is looking to motivate private investors to be active, which will ultimately improve investments and nurture the private sector expenditure. However, on the other hand, increasing the debt will shorten the pool of private investment to use, and eventually halt expansion plans. Despite the challenges, a healthy economic growth is on the cards provided the private sector investment is revived, as it has remained very low since many quarters.

Growth and investments walk hand-in-hand, as the latter makes a significant contribution to the former. Historical evidence suggests that higher investments have always led to a consistent growth trajectory, which underlines the importance of the nurturing of this sector. During the mid-2000s, the capital formation increased from 5.1% to 17.1%, which also overlapped with a period of substantial growth. However, the growth rate in capital formation slumped later on to 4.3% during the years 2012-16. Improvements have been seen recently as the rate rose to 7.6% in FY 17-18.

In the recent budget efforts are made to balance growth and fiscal prudence. However, the country's investment position needs to be improved, especially with risks looming large. The demand to remain consistent of

fiscal numbers has been majorly due to the need to improve growth rate amid pressure to reduce taxes, increased allocations from the budget to social sectors, and improved infrastructure which could put pressure on public finance. Hence, reaching the goals of revenue disinvestment targets and revenue collection will prove to be key for ensuring the budgeted reduction in the ratio of fiscal deficit-to-GDP. The government should take initiatives for managing its public finances, and shifting focus to the projects which can attract private investment. However, the ultimate challenge will arise from making the right choices in policy decision making regarding fiscal expenditure mix and providing incentives to private players for avoiding any long-term expenditures.

## Industry overview

### Kitchen sinks industry

The kitchen sink industry in India is valued at around ₹ 8,000 Crores, with the anticipation of market growth at a CAGR of 13-15% over FY 2017-20. According to industry estimates, nearly half of the Indian faucets market is catered by unorganized firms. Over the years, the outlook of sinks has grown from being an ordinary and functional product to a style statement. The industry benefitted largely with improvement in the real estate scenario, growth in the disposable income, and changes in the preferences of consumers regarding lifestyle. The exposure to international brands also brought interest within customers to give domestic brands a chance, who offer top-of-the-line products at reasonable prices.

While stainless steel kitchen sinks dominate the market share, quartz kitchen sinks are experiencing a rise in sales due to customers' preference of giving standard products a try. The world supply of quartz kitchen sinks is dominated by three established firms, as they account for almost three-fourths of the market. Acrysil is one of the manufacturers who has a global presence and an expansive market share. The kitchen sinks from Acrysil made of various materials appeal to the consumer thanks to their design, durability, and easy maintenance.

In the recent years, it has been noticed that the share of organized players in the industry is increasing, and while that of unorganized ones is decreasing. The reason behind this is the growing brand awareness in





the market and a rising demand of premium products manufactured by organised players. The consistent demand of such products from hospitality and commercial sector has also increased, leading to the growth of the sector. With the present rate of growth, the global market of kitchen sinks will increase from USD 2,719 Million to USD 3,429 Million.

### Kitchen appliances industry

The rise of the Indian economy has been consistent, as the average GDP has been 7% over the past few years. Many experts predict that the nation will be the fastest growing economy in the coming years. Its population of more than a Billion, and nearly 300 Million people belonging in the middle-class section, the country is a good opportunity for the sales of kitchen appliances. Most of the working-class segment does not find time for traditional cooking because of packed schedules, therefore kitchen appliances with the latest amenities will be dominating for a long time. Other trends like westernization of the way of living, urbanization, and increasing female workforce have been crucial factors for making the sub-continent nation a favourable market.

Appliances like Hobs, Microwaves, Chimneys, etc., have performed significantly well as they recorded double digit growth value over the course of five years. Technological innovation and new designs coupled with market strategy triggered this increment. New customizations and features like Child Lock and Digital Display have made the landscape quite competitive. With established companies leveraging the power of e-commerce to boost sales and productivity, the market is estimated to be valued around 7 Billion by the year 2022.

Acrysil has made all the right moves in the market, by offering kitchen appliances with the required features. By integrating innovation after proper research and development, the company looks to become a crucial player in the sphere. The team has been paying attention and has constantly evolved to suit the needs of the Indian consumers, which presents a terrific opportunity to leapfrog the contemporaries and establish itself for long-term success.

## Operational review

### Quartz sinks

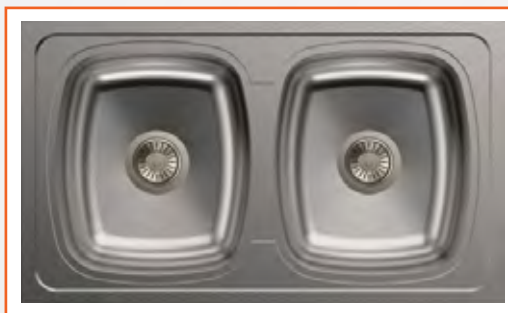


Acrysil has been consistently improving its production capacity of Quartz sinks to meet the increasing requirement and to profit from the economies of scale. The manufacturing capacity of the company has increased to 4,00,000 per annum in FY18. The company is working hard each year to keep up with the demands of the consumers by growing the manufacturing numbers. New facilities in the Company include new building, plant and machinery, molds, utilities, and other preparatory and ancillary equipment. To keep up with the demands of export customers, the company continues to develop sinks in new colours.

The Company's quartz sinks with steel moulding has been successful as it is present in various markets in the world. Growth due to exports continue as major foreign countries are raking up the sales, which signifies how successful Acrysil has become. The sale of these sinks increased by 15.10% from 3,00,187 numbers in FY18 to 3,45,510 numbers in FY19. The export of these sinks stood at ₹ 129.88 Crores, and on the other hand the domestic sales were ₹ 36.53 Crores. During the year, the company entered into an agreement for Supply of Quartz Kitchen Sinks with Leading German Brand "Grohe" which has a potential to bring in revenues.

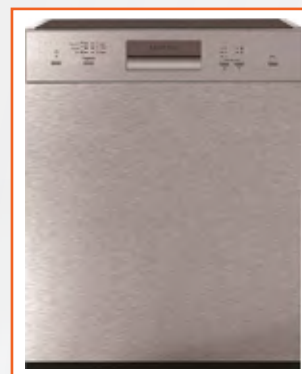
### Stainless steel sinks

What sets Acrysil apart from its contemporaries, is its willingness to look after the needs of the higher segment who are ready to pay premium price for better design, quality, and longevity.



With innovative products and new technologies, the Company looks to leave a mark in this market. The acquisition of a UK-based distribution company, which sells stainless steel sinks to the top customers in the nation, has proven to be a major impetus to the export of stainless-steel sinks. This year, the domestic sales figures of stainless-steel sinks has accounted for a revenue of ₹ 16.42 Crores in comparison to ₹ 14.47 Crores in FY 18.

### Kitchen appliances



The aim of Acrysil, while venturing into the kitchen appliances industry, has always been to be the preferred kitchen lifestyle brand. Therefore, it released a diverse line of products for kitchen needs, like faucets, chimneys, hoods, cook tops, hobs, microwave ovens, ovens, wine chillers, and food waste disposers. Cooking ranges were also added to the portfolio, with customer satisfaction in mind. With such a long list of products, Acrysil looks to dominate the market with its top-of-the-line design and quality. Capturing a large share of the market as the domestic earnings are ₹ 15.26 Crores in FY19 in comparison to ₹ 12.85 Crores in FY18.

## Quartz Wash Basins and 3D Tiles



Acrysil has been receiving rousing reception for its line of Quartz Wash Basins and 3D Tiles, since they entered the market. These products have been successful in capturing the attention of the customers, resulting in increased demands. During the year, the number of wash basins sold were 841 in comparison to 747 in FY18. The aggregate value is ₹ 1.21 Crores, while that of last year was ₹ 0.98 Crores in FY18. When it comes to 3D tiles, the number sold is 22,163 in comparison to 19,321 in FY18. In FY18, the aggregate value was ₹ 0.41 Crores, while this year it was ₹ 0.57 Crores.

## Sternhagen Bathroom Suites

The range of Sternhagen Bathroom Suites was launched way back in FY17. The aim was to produce luxury bathroom interiors, sanitaryware, highlighter tiles, and fittings, which would cater to both domestic and international markets. Sternhagen is a well-known top-of-the-line brand from Germany. The company is owned by Acrysil GmbH, which is the Company's completely owned subsidiary. This brand had won the prestigious Red Dot Award, apart from 52 other international awards.



In the last financial year, the company introduced a new line of Opal washbasins and WC to increase the number of products offered for bathroom needs. The future

looks bright for these products as they have garnered praise from all fronts.

Sternhagen is attributed with creating the concept of the first full bathroom suite. By blending art and engineering, the willingness to constantly reinvent themselves has set this brand apart. It distinguishes its products by including elemental shapes, intricately crafted designs, unique details, and luxurious solutions for classic suites. Since the luxury of the consumer is central here, the bathroom suites are provided the latest technologies to give the experience of a lifetime.

The goal of Sternhagen is not to cater to a specific audience, rather to provide the best-in-class design and lifestyle to its clients. The end result is high-quality bathing experience which is fulfilling every time. For this purpose, the brand has developed and patented a high-tech quartz material known as Sani-Q. This material provides silk finish to the highlighter tiles and sanitary ware. The manufacturing process ensures that the Sani-Q achieves the desired level of finesse to meet the standards.

## Brand building and Marketing

Acrysil prioritises the building and marketing of the brand, and invests continuously on this endeavour. This is done via aggressive advertisement on various formats, meeting with franchisees, distributors, interior decorators, architects, consultants, and by sponsoring event in numerous cities in India and other parts of the world. The Carysil brand is designed to impress the consumers and deliver on its promise of reasonably priced sinks with great features. In the same way, Sternhagen products are a class apart and are considered unique in multiple ways. These products are durable and incorporate technology in their features which enhances their designs and utility.



## Financial review



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

Our Standalone Revenue increased by 29.23% to ₹ 198.76 Crores in FY19 as against ₹ 153.80 Crores in FY18. Export Sales registered a growth of 30.06% and increased to ₹ 139.98 Crores in FY19 as compared to ₹ 107.63 Crores in FY18. We enhanced our effort in domestic market and as a result domestic sales grew by 27.31% to ₹ 58.78 Crores in FY19 as against ₹ 46.17 Crores in FY18.



The overall Export Sales at ₹ 139.98 Crores contributed 70.43% while Domestic Sales at ₹ 58.78 Crores contributed 29.57% of the total Sales Turnover during the year. Profit After Tax increased by 83.78% to ₹ 11.78 Crores in FY19 from ₹ 6.41 Crores in FY18.

On a consolidated basis the Revenue of the company increased by 28.06% to ₹ 251.60 Crores in FY19 from ₹ 196.47 Crores in FY18. Profit After Tax increased by 42.81% to ₹ 17.48 Crores in FY19 from ₹ 12.24 Crores in FY18.

## Human Resources Development

The Company considers it a duty to maintain a healthy and professional working environment and strives to have cordial relationships within its employees. Human resources are the most essential and treasured asset of Acrysil. Upgrading the skills of the employees is our commitment towards this endeavour. It has been our focus to nurture and reward hard-working employees and provide equal opportunities for everybody to grow. Diversity in the workforce is motivated, as it leads to the capitalizing the potential of the employees and elevate their standard of living.

Retention of human talents has been a continuous effort in the company. We lay emphasis on upgrading the skills of our employees by providing them job training, workshops related to functional/technical, general/behavioural, in-house and external training programs. On a timely basis we provide competitive remuneration and we maintain amicable industrial relations in the workplace. The total workforce of Acrysil, as of March 31<sup>st</sup>, 2019, stands at 286 employees.

## Research & Development



Innovation is the focal point at Acrysil, as we tend to outdo our previous performances and keep setting new standards. The joy of customers is our asset and we



aim to retain it each and every year. Our breakthrough in mould making technology will impact the sink making cycle, its quality, and will improve the life cycle of the mould. As a result, the sinks will be manufactured on time and the customer delivery dates will be met without any breakdowns.

The type and kind of packaging also dictates the success of a particular product. Because we are dedicated to serving a wide geography and their habits, our sinks must reach them safely and in pristine condition. Our ambition is to become the most popular sink manufacturer by taking care of safe and economical packaging. For this purpose, Acrysil developed ISTA (International Safe Transit Association, USA) complaint packaging which serves the customers with ISTA 1, ISTA2A, ISTA 3A, ISTA 6 complaint packaging. switch-free chimneys. Our innovation has been towards meeting customer requirements and ensuring their satisfaction. As a result, we keep working hard towards manufacturing and designing new products. ISTA6 is developed for Quellmalz & Naber for model D100S, D100L, D150, Waltz 560FE, Salsa 2118 & Big B. the ISTA 3 packaging, on the other hand, is developed for all US models. During the year, the company has introduced several new moulds and designs to keep up the expectations of our increasing demand from our customers around the world.

The development of Apron Sinks made of composite Quartz for the USA market has started gaining traction due to its unique features. We have introduced two new variants of this product, called Apron two bowl 60/40 and Apron Single bowl for Karran USA. We also launched eleven new models, two for Caressi, and nine for two series of Grohe (G2 D100S, G2 D100, G2 D100L, G2 D150, G2 D200, G1 D100, G1 D100L, G1 D150, and G1 D200).

To meet the increased requirements of composite quartz basin in the US market, our introduction of a new wash basin "YORK" was a welcome move. The product is highly popular in the US and constant efforts are being made to achieve similar success in the Indian market. When it comes to appliances, the company has been marketing innovative products like feather touch and switch-free chimneys. Our innovation has been towards meeting customer requirements and ensuring their satisfaction. As a result, we keep working hard towards manufacturing and designing new products.

## Outlook

Sticking to company's ethics and working hard to uphold its values is what has kept Acrysil as one of the most respected brands in the industry. Once a single product company, Acrysil is now having a wide range of products for kitchen and bathroom in its portfolio. All our products are appreciated globally and this underlines the company's philosophy to provide innovative and useful products which become a signature of the lifestyle of the consumer. Having a CAGR of 19% over the last five years is a testament to our growth-oriented business plan. This plan includes expanding influence in multiple markets and constantly revolutionizing the kitchen and bathroom lifestyle of the markets in which we have a foothold. To stay ahead of the competition, we introduce new products, and this also helps us in exploring countries where we are not yet established. The factors which will impact the growth of our company will be urbanization, growing population, increasing purchasing power, and higher expectations of our consumers.

## Risks and Concerns

### Technological Obsolescence

The company constantly upgrades its technology and ensures that the dynamic work environment is up to the modern standards. To avoid technological obsolescence, we constantly review our resources and processes.

### Competition

Acrysil is a global brand, therefore the competition is not just from Indian companies, but international also. In this rapidly growing industry, we have set ourselves apart on the basis of the differentiation strategy and incorporating the distinct business approach depending on particular markets. With constant upgrades to its products and the underlying technology, Acrysil has been able to stay ahead of its contemporaries. On the basis of the customer's needs, Acrysil provides a number of options with a wide variety of features which makes establishes us as a customer-centric company.

### **Exchange rate fluctuations**

The ups and downs in various currencies makes the present situation of the global economy volatile. This is expected in the future too, however, the company has taken the right precautionary steps to ensure that currency fluctuation does not impact our growth. Since the finished goods are exposed to the market ups and downs, it is important to safeguard all the products and see to it that the customers are not disappointed.

### **Rising Input Cost**

The prices of essential raw materials, packing materials and plumbing kits have a direct effect on the profit margin. It is challenging task to deal with rising prices and keeping cost under control. By using the economies of scale and purchasing power, Acrysil is able to put a check on the rising input costs.

### **Adequacy of Internal Control Systems**

Acrysil makes sure that its internal control systems commensurate with size of the company and nature of its business align with the industry's demands of effective resource utilization, financial reporting, and operational efficiency. Compliance with all the laws and regulations is also a duty which the company adheres to. To ensure the optimum use of resources, maximising output and control over transactions, Acrysil makes sure that the internal control systems are well-maintained and efficient enough to meet the requirements. Adherence to all the guidelines, rules, processes, and policies with respect to effectiveness and efficiency is also paramount.

The internal audit system of the company looks after the implementation of internal controls, adequate processing, transactions which respect the policies and approval of the firm, and the commensuration of the controls according to the size and functions of the company. Acrysil has a business planning system in place which sets targets and parameters for specific operations. Performance are reviewed regularly and real time corrective and preventive actions are taken, wherever required..

### **Disclaimer**

All the statements in the Management Discussion and

Analysis 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 which affect demand and supply, input prices fluctuation of 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 SECOND ANNUAL GENERAL MEETING** of the Members of **ACRYSIL LIMITED** ("the Company") will be held at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra- 400020, India on Friday, the September 13, 2019 at 3.30 P.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and the Auditors' thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the Auditors' thereon.
2. To declare dividend of ₹1.20 (60%) per share on equity shares of fully paid up of the face value of ₹ 2/- each of the Company for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Chirag A. Parekh (holding DIN: 00298807), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Ratification of remuneration payable to Cost Auditors for the year 2019-20.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 148 (3) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) ("the Act") and on the recommendation of the Audit Committee and approval by the Board of Directors of the Company at their meeting dated May 22, 2019 the consent of the Company be and is hereby accorded for ratification of the below remuneration to M/s. S.K. Rajani and Co., Cost

Accountants (Firm Registration No: 101113) as the Cost Auditors of the Company for the financial year 2019-20:

₹ 75,000/- plus out of pocket expenses and GST as applicable to conduct the audit of the cost accounting records for all the manufacturing facilities of the Company.

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

5. **Re-appointment of Mr. Chirag A. Parekh as Chairman & Managing Director of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V (as amended from time to time) and all other applicable provisions, if any, of the Companies Act, 2013, ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to approval of the Central Government, if required, approval of the members of the Company, be and is hereby accorded to the re-appointment of Mr. Chirag A. Parekh (DIN:00298807) as the Chairman and Managing Director of the Company with effect from November 1, 2019 to October 31, 2022(both days inclusive) upon the terms and conditions including Remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deemed to include any Committee of the Board constituted to exercise its powers including the powers conferred by this resolution) to determine, alter and vary the terms and conditions of the said re-appointment and / or remuneration as may be agreed to between the Board of Directors and Mr. Chirag A. Parekh.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration, perquisites and benefits payable to Mr. Chirag A. Parekh in the light of further progress of the Company which revision should be made in conformity with any amendments to the relevant provisions of the Act and/or rules and regulations made there under and/

or such guidelines as may be announced by the Central Government from time to time.

**RESOLVED FURTHER THAT** Mr. Chirag A. Parekh shall exercise substantial powers of management subject to superintendence, control and direction of the Board of Directors of the Company.

**RESOLVED FURTHER THAT** even in the absence of or inadequacy of profits in any Financial Year, subject to the provisions of Schedule V of the Act and such other approvals, as may be required, Mr. Chirag A. Parekh, be paid remuneration @ ₹ 2,00,00,000/- p.a. as mentioned above as minimum remuneration for the entire tenure or such period as may be approved by the Shareholders of the Company and / or Statutory Authority, if applicable.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider, necessary, expedient or desirable in order to give effect to this resolution."

**6. Re-appointment of Mr. Jagdish R. Naik (DIN: 00030172) as an Independent Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), Mr. Jagdish R. Naik (holding DIN: 00030172), an Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby re-appointed as an Independent Director of the Company, not be liable to retire by rotation, to hold office for a second term of up to five consecutive years

on the Board of the Company effective from April 1, 2019 to March 31, 2024."

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

**7. Re-appointment of Mr. Pradeep H. Gohil (DIN: 03022804) as an Independent Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), Mr. Pradeep H. Gohil (holding DIN: 03022804), an Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby re-appointed as an Independent Director of the Company, not be liable to retire by rotation, to hold office for a second term of upto five consecutive years on the Board of the Company effective from April 1, 2019 to March 31, 2024."

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

**8. Re-appointment of Mr. Ajit R. Sanghvi (DIN: 00340809) as an Independent Director of the Company:**

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



**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“the Listing Regulations”), Mr. Ajit R. Sanghvi (holding DIN: 00340809), an Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations of the Act and who is eligible for

reappointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby re-appointed as an Independent Director of the Company, not be liable to retire by rotation, to hold office for a second term of upto five consecutive years on the Board of the Company effective from April 1, 2019 to March 31, 2024.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee thereof be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

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

**Damodar H. Sejpal  
Company Secretary**

Mumbai  
August 2, 2019

**Registered Office:**

B-307, Citi Point, J. B. Nagar, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059.  
Tel.: 022-4015 7817/18, Fax: 022-2825 8052  
CIN: L26914MH1987PLC042283  
Website: [www.acrysil.com](http://www.acrysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

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#### IMPORTANT NOTES:

- 1) A member entitled to attend and vote at the annual general meeting (**THE "MEETING" /"AGM"**) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy, in order to be effective, must be deposited at the company's registered office, duly completed, stamped and signed, not less than 48 (forty-eight) hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of Item No. 4 to 8 of the Notice, is annexed hereto.
- 3) The relevant details as required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 in respect of Director retiring by rotation and being reappointed has been provided in the "Annexure" to the Notice. The Director has furnished the requisite consent / declarations for their appointment / re-appointment as required under the Companies Act, 2013 and Rules made thereunder.
- 4) Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- 5) Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- 6) Members are requested to bring their duly filled Attendance Slip along with their copy of Annual Report at the Meeting.
- 7) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
- 8) All the documents referred to in this notice are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays, during 11.00 a.m. to 4.00 p.m. up to the date of the Annual General Meeting.
- 9)
  - (a) The Company has decided to close the Register of Members and the Share Transfer Register from **Saturday, 7th September, 2019 to Friday, 13th September, 2019 (both days inclusive)** for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
  - (b) The dividend on Equity Shares, if declared at the Meeting, will be credited/dispatched between **Wednesday, 25th September, 2019 to Saturday, 5th October, 2019** to those members whose names shall appear on the Company's Register of Members or on records of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners as **on Friday, 6th September, 2019**.
- 10) As per SEBI Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NEFT etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or its Registrars & Transfer Agents (RTA), Bigshare Services Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

- 11) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Bigshare Services Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or its Registrars & Transfer Agents (RTA), Bigshare Services Private Limited.
- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
- 13) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
- 14) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
- 15) Non-Resident Indian members are requested to inform the RTA, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 16) To support the 'Green Initiative', members who have not registered their E-mail addresses so far, are requested to register their e-mail address with the RTA /depository participant(s) for receiving all communication including annual report, notices, circulars, etc. from the company electronically.
- 17) Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company (e-mail: cs.al@acrysil.com) at least 7 days before the date of the AGM so that the information required may be made available at the AGM.
- 18) The Company has connectivity from the CDSL & NSDL and Equity Shares of the Company may also be held in the electronic form with any DP with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE482D01024. In case of any query/difficulty in any matter relating thereto may be addressed to the RTA.
- 19) Trading in the shares of the Company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialised their shares to get their shares dematerialized at the earliest.
- 20) The members who have not encashed their Dividend Warrants for any previous period are requested to send the same for revalidation to the Company's Registrars and Transfer Agent (RTA).
 

Members wishing to claim dividends for previous financial years, which remain unclaimed, are requested to correspond with the RTA.

During the year, the Company has requested those members, whose dividends for previous financial years remaining unclaimed / unpaid, for claiming said dividend amount before transfer thereof to Investor Education and Protection Fund (IEPF).

Members are requested to note that dividends not encashed or claimed within seven years from the thirty

days of declaration of dividend, will, as per Section 124 of the Companies Act, 2013, be transferred to the IEPF.

Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the information in respect of the unclaimed dividends as on the date of the 31st AGM held on 27th September, 2018 on its website [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) and also on the website of the Investor Education and Protection Fund [www.iepf.gov.in](http://www.iepf.gov.in).

Further, provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of IEPF Rules as amended, inter alia, mandates the Company to transfer all such shares, in respect of which dividend have not been paid or claimed for seven consecutive years or more, to the demat account of IEPF Authority.

During FY 2018-19, the Company has transferred 167660 equity shares to the demat account of IEPF Authority.

- 21) Member holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, changes of address, change of name, e-mail address, contact number, etc., to their DP. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's RTA to provide efficient and better service. Members holding shares in physical form are requested to intimate such changes to RTA.
- 22) The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode under the Companies Act, 2013.
- 23) In compliance with the provisions of section 108 of the Companies Act, 2013 read with the Rules made there under, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members the facility to exercise their right to vote on resolutions

proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 6, 2019, may cast their vote by electronic means or in the AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

The information with respect to voting process and other instructions regarding e-voting are detailed in Note no. 29.

#### 24) Unclaimed Dividend

Pursuant to the provisions of Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), your company has transferred ₹ 4,25,224/- during the year to the Investor Education and Protection Fund. This amount was lying unclaimed/unpaid with the Company for a period of seven years after declaration of Dividend for the financial year ended 2010-11.

Here below are the proposed dates for transfer of the unpaid dividend to IEPF by the Company.

Financial year	Date of declaration	Proposed date for transfer to IEPF
2011-12	15.09.2012	25.09.2019
2012-13	26.09.2013	10.10.2020
2013-14	24.09.2014	13.10.2021
2014-15	25.09.2015	14.10.2022
2015-16	24.09.2016	13.10.2023
2016-17	20.09.2017	20.10.2024
2017-18	27.09.2018	26.10.2025

#### Notes:

1. Investors are requested to send in their claim at least 15 days prior to due date for transfer to IEPF for ensuring payment of their dividend.
2. Indicative dates, actual dates may vary.



## 25) Transfer of shares to Investor Education & Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer equity shares in respect of which dividends have not been claimed for a period of seven years continuously, to IEPF. The Company has transferred 37,054 shares to IEPF during the year under review. Details of these shares are available on the Company's website i.e. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com). Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the Investor Education and Protection Fund as required by law. The Company will transfer the said shares, after sending an intimation of such proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees will be available on the Company's website i.e. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com).

26) Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

27) SEBI vide its circular dated 8th June, 2018 amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their

holdings at the earliest as it will not be possible to transfer shares held in physical mode.

28) SEBI vide its circular dated 20th April 2018, directed all the listed companies to record the Income Tax PAN and Bank Account Details of all their shareholders holding shares in physical form. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest.

## 29) The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 10, 2019 at 09:00 A.M. (IST) and ends on September 12, 2019 at 05:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 6, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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 as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab. "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **"ACRYSIL LIMITED"** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also use Mobile app - "m - Voting" for e voting . m - Voting app is available on Apple , Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, 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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

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

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

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

The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company.

The Scrutinizer shall, within a period of not later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.

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

Voting rights of the members shall be in proportion to their respective shareholding as on the cut-off date i.e. **September 6, 2019**.

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

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

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

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

Members may also note that the Notice of the AGM along with the route map (given on backside of attendance slip) and the Annual Report of the Company for the year ended 31st March, 2019 will be available on the Company's website viz. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com). Physical copies of the aforesaid documents will be available at the registered office for inspection during business hours on working days.

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

**Damodar H. Sejpal**  
Company Secretary

Mumbai  
August 2, 2019

**Registered Office:**

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

Tel.: 022-4015 7817/18, Fax: 022-2825 8052

CIN: L26914MH1987PLC042283

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

# EXPLANATORY STATEMENT

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

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 to 8 of the accompanying 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, to conduct the audit of the Cost records of the Company's manufacturing units at Bhavnagar for the financial year ending March 31, 2019.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2020, as set out in the Resolution for the aforesaid services to be rendered by them.

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

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

## Item No. 5:

Mr. Chirag A. Parekh (DIN: 00298807) was appointed by the Shareholders as Chairman and Managing Director at their Annual General Meeting held on September 26, 2013 for a period of three years i.e. from November 1, 2013 to October 31, 2016. The term as Managing Director will get expired on October 31, 2016. Considering his contribution in overall growth and performance of the Company, it is proposed to re-appoint him for further period of three years from November 1, 2016 to October 31, 2019. 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 thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the approvals of the Central Government and other authorities, if any.

The proposed re-appointment of and payment of remuneration to Mr. Chirag A. Parekh as the Managing Director, has been considered and recommended by the Nomination and Remuneration Committee at its respective meetings held on August 2, 2019.

The Board of Directors of the Company at their meeting held on August 2, 2019 has re-appointed Mr. Chirag A. Parekh as Chairman and Managing Director for a period of three years with effect from November 1, 2019 on the terms and conditions approved by the Nomination & Remuneration Committee and as set out in the resolution at Item No.5 of the Notice.

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

### I. SALARY

₹15,00,000/- per month

The Board may grant annual increments and revise the Salary having regard to the merits and the Company's performance.

### II. PERQUISITES

- (a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed ₹ 20,00,000/- p.a. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost to the company.

Provision of the 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.

- (b) Company's contribution to Provident Fund to the extent this 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 at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

### III. COMMISSION

A sum calculated at the rate of 2% of the Net profits after tax of the Company in a particular financial year. Provided that the commission shall be payable in such a way that in case of adequacy of profit, the overall managerial remuneration will be within overall limit of 5% of Net profit every year and in case of absence or inadequacy of profit, the overall managerial remuneration will be within limit of ₹ 2,00,00,000 p.a. as minimum remuneration subject to approval of the Statutory Authority, if applicable.

### IV. MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Chirag A. Parekh as Chairman and Managing Director of the Company, the remuneration as mentioned in the resolution subject to limit of ₹ 2,00,00,000 /- p.a., shall be paid to Mr. Chirag A. Parekh, as minimum remuneration, subject to the approval of Statutory Authority, if applicable.

### V. OTHER TERMS

- (a) Leave: On full pay and allowances, as per the Rules of the Company, but not exceeding one month's leave for every 11 months of service.
- (b) Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred by him in the performance of duties.
- (c) 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.
- (d) The tenure of the Managing Director may be terminated by either party by giving to the other party ninety days' notice in writing.
- (e) 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, as amended from time to time.

This may also be considered and treated as Abstract and Memorandum of Interest under respective provisions of the Companies Act, 2013.

As per the Sub-clause B (iv) of Part II Section II of Schedule V, the company is required to furnish the following information in the Explanatory Statement;

## 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 manufacturing and selling Quartz Kitchen Sinks 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.	<b>31.03.2019</b> (₹ in lakhs)	<b>31.03.2018</b> (₹ in lakhs)	<b>31.03.2017</b> (₹ in lakhs)
	Sales (Net of Excise/GST)	20,149.05	15,893.11	14,432.16
	Net Profit before Tax	1,667.94	978.84	994.86
	Net Profit After Tax	1,185.03	634.54	626.12
5	Export performance.	12,918.41	10,141.09	9,575.14
6	Foreign investments or collaborators, if any	Not Applicable		

## II. INFORMATION ABOUT THE APPOINTEE

No	PARTICULARS	
1	Background Details	Mr. Chirag A. Parekh is the son of the Company Promoter and is associated since inception; having a family background in manufacturing of Kitchen Sinks. Mr. Chirag A. Parekh had joined the Company as Promoter Director having experience of more than 27 years in manufacturing of Kitchen Sinks.
2	Past Remuneration / Perquisites	<p><b>I. SALARY</b></p> <p>Mr. Chirag A. Parekh will be paid Basic Salary of ₹ 10,00,000/- per month (in the scale of ₹ 10,00,000 – ₹ 12,00,000) The Board will grant annual increments and revise the Salary within the aforesaid range by granting one or more increments in the above scale, having regard to the merits and the Company's performance.</p> <p><b>II. PERQUISITES</b></p> <p>In addition to the salary, Mr. Chirag A. Parekh shall also be entitled to following perquisites.</p> <p>(a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed ₹ 12,00,000/- p.a.. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision of the Company's car and telephone at residence and reimbursement of expenses incurred by him for official duties have not been included in the computation of perquisites for the purpose of calculating the said ceilings.</p>

No	PARTICULARS	
		<p>(b) Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income tax Act, gratuity payable as per the Rules of the Company (within limit of 24% of the basic salary every year) and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.</p> <p>III. COMMISSION</p> <p>A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year.</p> <p>Provided that the commission shall be payable in such a way that in case of adequacy of profit, the overall managerial remuneration will be within overall limit of 5% of Net profit every year and in case of absence or inadequacy of profit, the overall managerial remuneration will be within limit of ₹ 1,90,56,000/- p.a. as minimum remuneration subject to approval of the Central Government.</p> <p><b>The Central Government approved remuneration @ ₹ 1,68,00,000/- (Rupees One Crore Sixty Eight Lakhs Only) per annum for a period from 1st November, 2016 to 31st October, 2019.</b></p>
3	Recognition or Awards	Mr. Chirag A. Parekh, Chairman & Managing Director of the Company 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	Experience of more than 2 decades in Administration and Finance. Experience of 18 years in Marketing & Personnel.
5	Remuneration/perquisites proposed	<p>I. SALARY</p> <p>Mr. Chirag A. Parekh will be paid Basic Salary of ₹ 15,00,000/- per month.</p> <p>The Board may grant annual increments and revise the Salary having regard to the merits and the Company's performance.</p> <p>II. PERQUISITES</p> <p>In addition to the salary, Mr. Chirag A. Parekh shall also be entitled to following perquisites.</p> <p>(a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed ₹ 20,00,000/- p.a.. For the</p>

No	PARTICULARS	
		<p>purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision of the Company's car and telephone at residence and reimbursement of expenses incurred by him for official duties have not been included in the computation of perquisites for the purpose of calculating the said ceilings.</p> <p>(b) Company's contribution to Provident Fund to the extent 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 at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.</p> <p>III. COMMISSION</p> <p>A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year.</p> <p>Provided that the commission shall be payable in such a way that in case of adequacy of profit, the overall managerial remuneration will be within overall limit of 5% of Net profit every year and in case of absence or inadequacy of profit, the overall managerial remuneration will be within limit of ₹ 2,00,00,000 p.a. as minimum remuneration subject to approval of Statutory Authority, if applicable.</p>
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)	The remuneration offered to Mr. Chirag A. Parekh is at par with the industry norms considering the nature of industry, size of the Company, profile and position of person and future growth of the Company.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any,	Mr. Chirag A. Parekh is holding 83,04,730 equity shares of the Company which is 32.01 % of the equity share capital of the Company.



**III. OTHER INFORMATION**

NO	PARTICULARS	
1	Reasons of loss or inadequate profits	The Company has earned profits; however, as per sections Section 197(3), read with Schedule V of Companies Act, 2013, the profits are not adequate to cover the remuneration/ perquisite to be payable to Mr. Chirag A. Parekh. The increase in profitability on account of the expansion project will make the remuneration payable to him in line with the above mentioned sections.
2	Steps taken or proposed to be taken for improvement.	The Company is 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**

NO	PARTICULARS	
1.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2019.'
2.	Details of fixed component and performance linked incentives along with the performance criteria	The Company is making every effort to reduce cost and increase the overall efficiency, which will result increase in overall profitability of the Company.
3.	Service contracts, notice period, severance fees.	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2019.'
4.	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2019.'

Except Mr. Chirag A. Parekh, none of other the Directors or Key Managerial Personnel of the Company or their relatives, financially or otherwise, is in any way concerned or interested in the aforesaid Special Resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

**Item Nos. 6 to 8**

Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi are currently Independent Directors ("IDs") of the Company. They were appointed as IDs for a period of upto 5 years at the 27th Annual General Meeting held on 24th

September, 2014 commenced from 1st April, 2014 to 31st March, 2019 ("first term").

As per section 149(10) of the Company Act, 2013 ("Act"), an ID shall hold office for a term of upto five consecutive years but shall be eligible for re-appointment on passing a special resolution by the Company for another (second) term of upto five consecutive years on the Board of the Company. Further, shareholders' approval by way of Special Resolution is also required for continuation of any non-executive Director after they have attained seventy-five years of age.

Based on recommendation of Nomination and Remuneration Committee ("NRC") and taking into consideration their performance evaluation done by the Board, the Board at its

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meeting held on 29th March,2019 reappointed Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi as Independent Directors pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), for second term of upto 5 years commencing from 1st April,2019 to 31st March,2024, subject to approval of members. The Company has received notice in writing from members under Section 160 of the Act proposing candidature of all the above directors for the office of the Independent Director of the Company. They are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has also received declarations from all of them that they meet the criteria of independence as prescribed both, under sub-section (6) of Section 149 of the Act and under Listing Regulations and they are independent from the management.

In the opinion of the Board, Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi fulfill the conditions specified under the Companies Act, 2013, Rules made thereunder and the Listing Regulations, for continuation for second term as Independent Directors of the Company.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the "Annexure" to the Notice.

Copy of draft letter of appointment of Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi setting out the terms and conditions of appointment is available on the Company's website [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) and also available for inspection by the members at the registered office of the Company during business hours on any working day till the date of this AGM.

Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi being appointees, are interested in their respective resolutions as set out at Item no. 6,7 & 8. Also,their relatives may be concerned with or interested in their respective resolutions to the extent of their shareholding interest, if any,in the Company.

The resolution contained in Item no. 6, 7 & 8 of the accompanying Notice, accordingly, seeks members' approval for re-appointment of Mr. Jagdish R. Naik, Mr. Pradeep H. Gohil and Mr. Ajit R. Sanghvi as IDs on the Board of the Company on the terms and conditions as specified in the draft letter of appointment.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the special resolution set out at Item no. 6, 7 & 8 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under applicable provisions of the Listing Regulations.

The Board commends these resolutions for your approval.

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

**Damodar H. Sejjal**  
Company Secretary

Mumbai  
August 2, 2019

**Registered Office:**

B-307, Citi Point, J. B. Nagar, Andheri - Kurla Road,  
Andheri (East), Mumbai - 400 059.  
Tel.: 022-4015 7817/18, Fax: 022-2825 8052  
CIN: L26914MH1987PLC042283  
Website: [www.acrysil.com](http://www.acrysil.com) / [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

## ANNEXURE TO NOTICE:

### Details of Directors Seeking Appointment / Re-appointment at the 32<sup>nd</sup> Annual General Meeting:

Particulars /Name	CHIRAG A. PAREKH	JAGDISH R. NAIK	PRADEEP H. GOHIL	AJIT R. SANGHVI
DIN	00298807	00030172	03022804	00340809
Date of Birth	30/08/1969	23/09/1958	02/08/1949	04/03/1957
Date of Appointment	02/11/2002	29/03/1989	28/01/2013	31/01/2000
Qualifications	B.B.A. European University, Switzerland	Chartered Accountant (C.A)	LL.B (Labour Law) ,Master of Management Science, USA, M.S. in Chemical Engineering, USA, M.S. in Plastics, Lowell Tech Inst.,USA, B.E.(Hons.) in Chemical Engineering	Chartered Accountant (C.A)
Expertise in specific functional areas	Experience more than 2 decades in Administration and Finance and experience of 18 year in Marketing & Personnel	Experience more than 9 year in Account and Finance filed and expertise in a Corporate Advisor	Experience in chemical Engineering for more than 35 year	Experience in a Financial Service Industry and Stock Broking
Other Directorships	Acrysil Steel Limited Acrycol Minerals Limited Sternhagen Bath Private Limited Acrysil Appliances Limited CP Sports Ventures Private Limited Huuves Design Private Limited	Agrocel Industries Private Limited Anshul Specialty Molecules Private Limited Divakar Techno Specialities & Chemicals Private Limited Kutch Crop Services Private Limited ECCL Investments And Finance Limited	Tamboli Capital Limited Acrysil Steel Limited Sternhagen Bath Private Limited Acrysil Appliances Limited	Sterling Consultancy Services Private Limited Hrisal Investment Advisors Private Limited Harileela Investtrade Private Limited MSS Securities Private Limited
Memberships / Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee.		-	Member in Audit Committee of Tamboli Capital Limited	-
Number of shares held in the Company	83,04,730	16,020	Nil	Nil
Relationship with any Director(s) of the Company	He is promoter of the Company and holding position of Chairman & Managing Director of the Company.	He is not related to any Director or Key Managerial Personnel of the Company.	He is not related to any Director or Key Managerial Personnel of the Company.	He is not related to any Director or Key Managerial Personnel of the Company.

The map illustrates the Churchgate area in Mumbai, India. Key features include:

- Streets:** Marine Drive, Jai Hind College, Indian Merchants Chambers, Brabourne Stadium, and various landmarks like the Horniman Circle Garden, SBI, and Bombay Stock Exchange.
- Landmarks:** Horniman Circle Garden, SBI, Bombay Stock Exchange, Bombay House, Flora Fountain, HSBC India Headquarters, Rajabhai Clock Tower, Oval Maidan, Cross Maidan Garden, Greater Bank, Siddharth College of Arts, Science and Commerce, IDBI Bank, Citibank, Tata Communications, Standard Chartered Mumbai 23-25 MG., Eros Cinema, Maharshi Karve Rd, Churchgate, Bhai Bhagwandas Darbar, Jai Hind College, InterContinental, Pizza by the Bay, ADCB, Brabourne Stadium, General Insurance Council, Marine Drive Police Station, Nehru Statue, R Bopla Chowk.
- Location Pin:** A red location pin is placed on the Indian Merchants Chambers building.





# DIRECTORS' REPORT

To,  
The Members,

Your Directors are pleased to present the **Thirty Second Annual Report** on business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2019. 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	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
1	Net Sales / Income from Operations	19,875.60	15,380.37	25,159.87	19,646.70
2	Other Income	273.45	512.74	213.36	461.16
3	Total Income (1+2)	20,149.05	15,893.11	25,373.23	20,107.86
4	Total Expenditure	16,956.75	13,627.94	21,115.76	17,078.18
5	Operating profit before Finance Cost, Depreciation, Tax and Minority Interest (3+4)	3,192.30	2,265.17	4,257.47	3,029.68
6	Finance Cost	756.37	662.40	972.85	626.82
7	Depreciation	767.99	623.93	863.92	714.44
8	Profit before Tax and Minority Interest (5-6-7)	1,667.94	978.84	2,420.69	1,688.42
9	Provision for Taxation	489.54	337.42	672.47	464.73
10	Net Profit after Tax and before Non-Controlling Interest (8-9)	1,178.40	641.42	1,748.21	1,223.69
11	Non-Controlling Profit Tax and before Non-Controlling Interest	-	-	23.54	28.61
12	Net Profit after Tax and Non-Controlling Interest (10-11)	1,178.40	641.42	1,724.67	1,195.08
13	Total other Comprehensive Income (Net of Tax)	6.63	(6.88)	42.38	(224.83)
14	Total Comprehensive Income	1,185.03	634.54	1,767.05	970.25

### Notes:

1. The previous year figures has been regrouped wherever necessary.
2. The above figures are extracted from the audited standalone and consolidated financial statements as per Indian Accounting Standards (Ind AS).
3. Figures has been rounded off to nearest decimal

## 2. Performance Review

### Standalone

During the year under review, Sales Turnover increased to ₹ 19,875.60 lakhs as against ₹ 15,380.37 lakhs in the previous year. The Profit After Tax for the year stood at ₹ 1,178.40 lakhs as compared to ₹ 641.42 lakhs in the previous year.

### Consolidated

On consolidated basis, Sales turnover of your Company for the year was ₹ 25,159.87 Lakhs as against ₹ 19,646.70 Lakhs in the previous year. The Consolidated Profit Before Taxation and Minority Interest was ₹ 2,420.69 Lakhs against ₹ 1,688.42 Lakhs in the previous year. The Consolidated Profit after Tax and Minority Interest was ₹ 1,724.67 Lakhs against ₹ 1,195.08 Lakhs in the previous year.

## 5. 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 recommend a final dividend of 60 % (₹1.20 per Equity Share) on Equity Shares of ₹ 2/- each for the financial year ended March 31, 2019. The total Dividend amount aggregates to ₹ 3.11 Crores plus applicable Dividend Distribution Tax thereon. The declaration and payment of dividend is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

The Register of Members and Share Transfer Books will remain closed from Saturday, September 7, 2019 to Friday, September 13, 2019 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2019.

## 6. Material Changes, Transaction and Commitment/ Change in the Nature of Business, if any

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

## 7. The details of significant and material order 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 order was passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## 8. 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.

## 9. Share Capital

The paid up Equity Share Capital as on March 31, 2019 stands at ₹ 5,18,89,760 divided into ₹ 2,59,44,880 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.

## 10. Transfer to Reserves

The Company proposes to transfer sum of ₹ 300.00 Lakhs to the General Reserves. An amount of ₹ 3,760.70 Lakhs is proposed to be retained in the Statement of Profit and Loss of standalone financials.

## 11. Subsidiary Companies

As on March 31, 2019, the Company has seven subsidiaries, including three 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 sub-section (3) of section 129 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statements of a

Company's subsidiaries in Form AOC-1 is attached to the financial statements.

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.

During the year under review, no company become or ceased to be Company's Subsidiaries, joint ventures or associate companies.

The Board has approved a Policy Statement for determining Material Subsidiaries of the Company viz. Acrysil Limited and the same is available on the website of the Company i.e. [www.acrysilcorporateinfo.com](http://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.

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

## 12. Directors and Key Managerial Personnel

The Board of Directors of the Company is led by the Executive Chairman and Managing Director and comprises four other Independent Directors as on March 31, 2019. Pursuant to the provisions of Section 152 of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Chirag Ashwin Parekh, Chairman and Managing Director is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The

brief resume and other relevant documents of the Director being re-appointed are given in the Explanatory Statement to the Notice convening the AGM, for your perusal. Mr. Chirag A. Parekh, Chairman and Managing Director, Mr. Anand H. Sharma, Chief Financial officer and Mr. Damodar Sejjal, Company Secretary and Compliance officer are the Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There has been no change in the Key Managerial Personnel during the financial year 2018-19.

### a. Board Meetings

During the year, 8 (Eight) Board Meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report which forms part of the Annual Report. Board meeting dates are finalized 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 Friday, March 29, 2019 to review the performance of Non-Independent Directors (including the Chairpersons) 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.

### b. Independent Director's Familiarization Programme

The Company familiarises its Independent Directors pursuant to the requirements of Regulation 25 of LODR with their roles, rights, responsibility 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 familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/7832Nomination%20&%20Remuneration%20Policy.pdf>

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

Considering the Performance Evaluation Guidelines which was formulated by the Nomination and Remuneration Committee ("NRC"), the Board and NRC approved the framework for evaluating the performance, on an annual basis, of the Board, its Committees and each director including the Chairman of the Board of Directors. In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees and of all individual Directors including Independent Directors and the Chairman of the Board of Directors based on various parameters relating to attendance, roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

**d. Policy on Appointment and Remuneration of Directors**

The Board, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director and a Policy for remuneration of Directors, Key managerial Personnel and senior management. The Board has formulated Nomination and Remuneration Policy is posted on the website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/7832Nomination%20&%20Remuneration%20Policy.pdf>

**e. Declaration by Independent Directors**

The Independent Directors of the Company have furnished the declaration to the Company under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

**13. 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.

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 2019-20.

**Statutory Auditors' Report**

The Board has duly reviewed the Statutory Auditor's Report and the observations and comments, if any appearing in the report are self-explanatory and do not call for any further explanation /clarification by the Board of Directors as provided under Section 134 of the Act.

**b. Cost Auditors**

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has made and maintained the cost accounts and records for the year 2018-19.



The Company has appointed M/s. S. K. Rajani & Co., Cost Accountants (FRN: 101113) as the Cost Auditors of the Company for audit of cost accounting records of its activities (Kitchen Sinks) for the financial year ended 31st March, 2019. The Cost Audit Report to the Central Government for the financial year ended 31st March, 2018 was filed within the statutory timeline. Further, the Board of Directors has, appointed M/s. S. K. Rajani & Co. as the Cost Auditor of the Company for the financial year 2019-20 and fixed their remuneration, subject to ratification by the shareholders in the ensuing AGM of the Company.

#### 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 as per the provisions of the Companies Act, 2013 for the financial year 2018-19. The secretarial audit report for the financial year 2018-19 forms part of the Annual Report as Annexure V to the Board's report. The Secretarial Audit Report is self-explanatory in nature and do not require any further comments and explanations.

The Board has appointed M/s. P. P. Shah & Co., Practicing Company Secretaries, as Secretarial Auditors of the Company for financial year 2019-20.

#### d. 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 2018-19 does not contain any qualification, reservation or adverse remark.

### 14. 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 unauthorized use, executing transactions with proper authorization 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 and Annexure A 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.

#### **15. 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 2018-19, the recommendations and ratifications of Audit Committee were duly approved, ratified and accepted by the Board of Directors.

#### **16. 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 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.

#### **17. 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 the 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 categorized 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 <http://www.acrysilcorporateinfo.com/public/upload/pdf/1902risk-management-policy.pdf>

#### **18. 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>

## 19. Related Party Transactions and Policy on Related Party Transactions

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

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Accordingly, particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 at arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 in Annexure – II and form part of this Report.

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

## 20. Managerial Remuneration and Particulars of Employees

The ratio of remuneration of each director to the median of employees remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report and statement of particulars of employees is annexed as Annexure IV. The details of remuneration paid to the Managerial Personnel forms part of the Corporate Governance Report.

## 21. Insurance

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets against foreseeable

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.

## 22. Loans, Guarantees or Investments

The Details of Loans given, Guarantees and Securities provided and Investments made by the Company in compliance with the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## 23. 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 financial year 2018-19, the Company has undertaken various CSR activities directly and/or through implementing agency and the projects undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in "Annexure III, forming part of this report.

## 24. Deposits

The Company has not accepted any fixed deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 during the year. There are no unclaimed/unpaid deposits as on March 31, 2019.

## 25. Extract of the Annual Return

As required under the provisions of Section 134(3)(a) and 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of annual return in Form No. MGT-9 forms part of this Report as Annexure-A.

In accordance with the provisions of section 92(3), a copy of the annual return is placed on the website of the company at [http://www.acrysilcorporateinfo.com/public/upload/pdf/8043Annual%20Return%202017-18\\_Form%20MGT%207-.pdf](http://www.acrysilcorporateinfo.com/public/upload/pdf/8043Annual%20Return%202017-18_Form%20MGT%207-.pdf).

## 26. Secretarial Standards

During the year 2018-19, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## 27. 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 31st March, 2019, the directors to the best of their knowledge and belief hereby confirmed:

- a. that in the preparation of the annual accounts for the year ended March 31, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b. that the directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2019 and of the profit of the Company for that period;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts/financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

## 28. 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 Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure VI and forms part of this report.

## 29. 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 Secretarial Auditors of the Company regarding the compliance with provisions of Corporate Governance.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. 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.

## 30. 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 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.

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

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

### Gratitude & Acknowledgments

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by Bankers, Investors, Customers, Suppliers and Government Authorities. The Board place on record earnest appreciation for the unstinted commitment, dedication, hard work and significant contribution made by employees ensuring sustained growth of the Company.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

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

Mumbai,  
August 2, 2019

#### Registered Office:

B-307,Citi Point ,J.B Nagar, Andheri-Kurla Road,  
Andheri (East), Mumbai- 400059.  
Tel: (91-22) 4015 7817 / 7818 / 7819  
Fax: (91-22) 2825 8052.  
CIN: L26914MH1987PLC042283  
Website: [www.acrystil.com/www.acrystilcorporateinfo.com](http://www.acrystil.com/www.acrystilcorporateinfo.com)

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



# Annexure Index

I.	Extracts of the Annual Return
II	AOC -II
III.	Report on Corporate Social Responsibility
IV.	Managerial Remuneration and Particulars of Employees
V.	Secretarial Audit Report in MR-3
VI.	Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo

## Annexure I

### EXTRACTS OF ANNUAL RETURN FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019.

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

#### I. REGISTRATION & OTHER DETAILS

1	Corporate identity number (CIN) of the company	L26914MH1987PLC042283
2	Registration date	19/01/1987
3	Name of the company	Acrysil Limited
4	Category/sub-category of Company	Public company limited by share
5	Address of the registered office & contact details	B-307, Citi Point, J.B Nagar, Andheri-Kurla Road, Andheri (east), Mumbai- 400059. Tel: (91-22) 4015 7817 / 7818 / 7819 Fax: (91-22) 2825 8052. CIN: L26914MH1987PLC042283 Website:www.acrysil.com/www.acrysilcorporateinfo.com
6	Whether listed company	Yes
7	Name, address & contact details of the Registrar & Transfer Agent	M/s Bigshare Services Pvt Ltd. 1stFloor, Bharat Tin Work Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai-400059 Ph: (022)62638200 Fax: (022) 62638299

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

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

Sr. No.	Name and description of main products/ service	NIC code of the product/service	% to total turnover of the company
1.	Quartz kitchen sinks	22209	88%



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

Sr No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1.	<b>ACRYSIL STEEL LIMITED</b> B-307,Citi Point, J.B Nagar, Andheri-Kurla Road, Andheri(East) Mumbai-400059	U28910MH2010PLC202493	Subsidiary	84.99%	2(87)
2.	<b>STERNHAGEN BATH PRIVATE LIMITED</b> B-307,Citi Point, J.B Nagar, Andheri-Kurla Road, Andheri (East) Mumbai-400059	U25200MH2011PTC212405	Subsidiary	100	2(87)
3.	<b>ACRYSIL APPLIANCES LIMITED</b> B-307,Citi Point, J.B Nagar, Andheri-Kurla Road, Andheri (East) Mumbai-400059	U51101MH2013PLC241702	Subsidiary	100	2(87)
4.	<b>ACRYSIL GmbH</b> Baumwall 7, 20459 Hamburg, Germany	N.A.	Subsidiary	100	2(87)
5.	<b>ACRYSIL UK LIMITED</b> Crossley Stud Farm, Buxton Road, Congleton, Cheshire, United Kingdom, CW12 2PN	N.A.	Subsidiary	100	2(87)
6.	<b>HOMESTYLE PRODUCTS LIMITED</b> Crossley Stud Farm, Buxton Road, Congleton, Cheshire, United Kingdom, CW12 2PN	N.A.	Subsidiary	Step Down Subsidiary	2(87)
7.	<b>Acrysil International FZCO, Dubai*</b> P.O Box 371569, Office No. 6WA G25, Dubai Airport Free Zone, UAE	N.A	Subsidiary	100	2(87)

\*Under the process of winding-up

#### IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

##### A. CATEGORY-WISE SHARE HOLDING:

Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2018 (FV-10) (Before Split of Share)				No. of Shares held at the end of the year : 31/03/2019 (FV-2) (After Split of Share)				% Change
	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
<b>(A) Shareholding of Promoter and Promoter Group</b>									
<b>Indian</b>									
(a) INDIVIDUAL / HUF	1999998	0	1999998	38.54	9999990	0	9999990	38.54	0.00
(b) Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c) BODIES CORPORATE	201352	0	201352	3.88	1006760	0	1006760	3.88	0.00
(d) FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e) ANY OTHERS (Specify)									
(i) GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(ii) TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(iii) DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A)(1) :</b>	<b>2201350</b>	<b>0</b>	<b>2201350</b>	<b>42.42</b>	<b>11006750</b>	<b>0</b>	<b>11006750</b>	<b>42.42</b>	<b>0.00</b>
<b>Foreign</b>									
(a) BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b) INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(c) INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d) QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e) ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total holding for promoters (A)=(A)(1) + (A)(2)</b>	<b>2201350</b>	<b>0</b>	<b>2201350</b>	<b>42.42</b>	<b>11006750</b>	<b>0</b>	<b>11006750</b>	<b>42.42</b>	<b>0.00</b>
<b>(B) Public shareholding</b>									
<b>Institutions</b>									
(a) Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b) FINANCIAL INSTITUTIONS / BANKS	0	100	100	0.00	0	500	500	0.00	(0.00)
(c) MUTUAL FUNDS / UTI	0	75	75	0.00	0	375	375	0.00	0.00
(d) VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e) INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(f) FII'S	0	0	0	0.00	0	0	0	0.00	0.00
(g) FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(h) QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(i) ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00



Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2018 (FV-10) (Before Split of Share)				No. of Shares held at the end of the year : 31/03/2019 (FV-2) (After Split of Share)				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (B)(1) :</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0.00</b>	<b>0</b>	<b>875</b>	<b>875</b>	<b>0.00</b>	<b>(0.00)</b>
	<b>Non-institutions</b>									
(a)	BODIES CORPORATE	203136	11830	214966	4.14	615875	59150	675025	2.60	(1.54)
(b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(i)	(CAPITAL UPTO TO ₹ 1 Lakh)	879113	214323	1093436	21.07	4446805	986920	5433725	20.94	(0.13)
(ii)	(CAPITAL GREATER THAN ₹ 1 Lakh)	849516	14850	864366	16.66	5092770	0	5092770	19.63	2.97
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	CLEARING MEMBER	24554	0	24554	0.47	69697	0	69697	0.27	(0.20)
(iii)	NON RESIDENT INDIANS (NRI)	204148	6822	210970	4.07	34110	0	34110	0.13	(3.94)
(iv)	NON RESIDENT INDIANS (REPAT)	812	0	812	0.02	742313	0	742313	2.86	2.84
(v)	NON RESIDENT INDIANS (NON REPAT)	30580	0	30580	0.59	150870	0	150870	0.58	(0.01)
(vi)	DIRECTORS RELATIVES	10890	28050	38940	0.75	162450	32250	194700	0.75	0.00
(vii)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(viii)	OVERSEAS BODIES CORPORATES	452400	0	452400	8.72	2262000	0	2262000	8.72	0.00
(ix)	UNCLAIMED SUSPENSE ACCOUNT	19373	0	19373	0.37	96775	0	96775	0.37	0
(x)	IEPF	37054	0	37054	0.71	185270	0	185270	0.71	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (B)(2) :</b>	<b>2711576</b>	<b>275875</b>	<b>2987451</b>	<b>57.57</b>	<b>13824825</b>	<b>1112430</b>	<b>14937255</b>	<b>57.57</b>	<b>0.00</b>
	<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>2711576</b>	<b>276050</b>	<b>2987626</b>	<b>57.58</b>	<b>13825700</b>	<b>1112430</b>	<b>14938130</b>	<b>57.58</b>	<b>(0.00)</b>
	<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>									
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>(C)=(C)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total (A) + (B) + (C)</b>	<b>4912926</b>	<b>276050</b>	<b>5188976</b>	<b>100.00</b>	<b>24831575</b>	<b>1113305</b>	<b>25944880</b>	<b>100.00</b>	<b>(0.00)</b>



## B. SHAREHOLDING OF PROMOTERS

Sr. No.	Shareholder's name	Shareholding at the beginning of the year (As on 01-April-2018) (FV-10) (Before Split of Share)			Shareholding at the end of the year (as on 31-March-2019) (FV-2) (After Split of Share)			% change in shareholding the year
		No. of shares	% of total shares of the company	% of share pledged/encumbered of total share	No. of shares	% of total shares of the company	% of share pledged/encumbered of total share	
1	Chirag A. Parekh	1660946	32.0091	0.0000	8304730	32.0091	0.0000	0.0000
2	Ashwin M Parekh	750	0.0145	0.0000	3750	0.0145	0.0000	0.0000
3	Shetal C. Parekh	100000	1.9272	0.0000	500000	1.9272	0.0000	0.0000
4	Acrycol Minerals limited	201352	3.8804	0.0000	1006760	3.8804	0.0000	0.0000
5	Pushpa R. Parekh	146952	2.8320	0.0000	734760	2.8320	0.0000	0.0000
6	Jatin R Parekh	83850	1.6159	0.0000	419250	1.6159	0.0000	0.0000
7	Mala M Sanghrajka	7500	0.1445	0.0000	37500	0.1445	0.0000	0.0000

## C. CHANGE IN PROMOTERS' SHAREHOLDING:

Shareholders	Shareholding at the beginning of the year (As on 01-April-2018) (FV-10) (Before Split of Share)		Cumulative shareholding at the end of the year (As on 31-March-2019) (FV-2) (After Split of Share)	
	No. of share	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2201350	42.42	11006750	42.42
Date wise Increase / Decrease in Promoters Shareholding during the year Specifying the reasons for increase/decrease Shareholding during the year Specifying (e.g. allotment/transfer/bonus/sweat Equity etc.	0	0	0	0
At the end of the year	2201350	42.42	11006750	42.42

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

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

Sr. No.	Name	Shareholder at beginning of the year (As on 01-April-2018)/ end of the year (31-March-2019)		Date	Increase/ Decrease in share-holding	Reason	Cumulative shareholding of the year (01-April-2018) to (31-March-2019)	
		Number of Shares	Percentage of total shares of the Company				Number of Shares	Percentage of total shares of the Company
1	SCHOCK GMBH	4,52,400	8.72	01-Apr-2018				
				18-Jan-2019	22,62,000	Sub Division	22,62,000	8.72
		22,62,000	8.72	31-Mar-2019				
2	ASHISH AGARWAL	2,21,240	4.26	01-Apr-2018				
				25-May-2018	-54	Transfer	2,21,186	4.26
				18-Jan-2019	2,21,186	Sub Division	11,05,930	4.26
		11,05,930	4.26	31-Mar-2019				
3	ASHISH KACHOLIA	2,21,240	4.26	01-Apr-2018				
				25-May-2018	-54	Transfer	2,21,186	4.26
				18-Jan-2019	2,21,186	Sub Division	11,05,930	4.26
		11,05,930	4.26	31-Mar-2019				
4	VARUN DAGA	1,41,463	2.73	01-Apr-2018				
				18-Jan-2019	2,21,186	Sub Division	7,07,315	2.73
		7,07,315	2.73	31-Mar-2019				
5	S. SHYAM	71,630	1.38	01-Apr-2018				
				6-Apr-2018	7	Transfer	71,637	1.38
				8-Jun-2018	5,888	Transfer	77,525	1.49
				22-Jun-2018	10,189	Transfer	87,714	1.69
				29-Jun-2018	863	Transfer	88,577	1.71
				6-Jul-2018	3,048	Transfer	91,625	1.77
				20-Sep-2018	4,715	Transfer	96,340	1.86
				27-Sep-2018	5,459	Transfer	1,01,799	1.96
				2-Nov-2018	20	Transfer	1,01,819	1.96
				9-Nov-2018	1,222	Transfer	1,03,041	1.99
				16-Nov-2018	5,049	Transfer	1,08,090	2.08
				30-Nov-2018	538	Transfer	1,08,628	2.09
				18-Jan-2019	1,08,628	Sub Division	5,43,140	2.09
		5,43,140	2.09	31-Mar-2019				
6	PIYUSH VRAJLAL MEHTA	1,71,500	3.31	01-Apr-2018				
				14-Sep-2018	-2,688	Transfer	1,68,812	3.31
				20-Sep-2018	-16,758	Transfer	1,52,054	3.25
				16-Nov-2018	-6,601	Transfer	1,45,453	2.93
				23-Nov-2018	-2,700	Transfer	1,42,753	2.80
				31-Dec-2018	-2,974	Transfer	1,39,779	2.75
				4-Jan-2019	-9,955	Transfer	1,29,824	2.69
				11-Jan-2019	-6,657	Transfer	1,23,167	2.50
				18-Jan-2019	1,23,167	Sub Division	6,15,835	2.50
				18-Jan-2019	-100727	Transfer	5,15,108	1.99
				25-Jan-2019	-25193	Transfer	4,89,915	1.89
				15-Mar-2019	-550	Transfer	4,89,365	1.89
		4,89,365	1.89	31-Mar-2019				

Sr. No.	Name	Shareholder at beginning of the year (As on 01-April-2018)/ end of the year (31-March-2019)		Date	Increase/ Decrease in share-holding	Reason	Cumulative shareholding of the year (01-April-2018) to (31-March-2019)	
		Number of Shares	Percentage of total shares of the Company				Number of Shares	Percentage of total shares of the Company
7	VINITHRA SEKHAR	254	0	01-Apr-2018				
				06-Apr-2018	18,746	Transfer	19,000	0.37
				13-Apr-2018	19,423	Transfer	38,423	0.74
				20-Apr-2018	3,239	Transfer	41,662	0.80
				04-May-2018	148	Transfer	41,810	0.81
				09-May-2018	4,744	Transfer	46,554	0.90
				18-May-2018	431	Transfer	46,985	0.91
				01-Jun-2018	100	Transfer	47,085	0.91
				03-Aug-2018	73	Transfer	47,158	0.91
				10-Aug-2018	3,999	Transfer	51,157	0.99
				17-Aug-2018	1,797	Transfer	52,954	1.02
				31-Aug-2018	2,617	Transfer	55,571	1.07
				07-Sep-2018	4,104	Transfer	59,675	1.15
				14-Sep-2018	8,423	Transfer	68,098	1.31
				27-Sep-2018	5,592	Transfer	73,690	1.42
				28-Sep-2018	2,055	Transfer	75,745	1.46
				05-Oct-2018	178	Transfer	75,923	1.46
				18-Jan-2019	75,923	Sub Division	3,79,615	1.46
		3,79,615	1.46	31-Mar-2019				
8	Own Infracon Private Limited (Formally Known as Own Leasing And Finance Private Limited )	69,086	1.33	01-Apr-2018				
				13-Jul-2018	-4,205	Transfer	64,881	1.25
				18-Jan-2019	64,881	Sub Division	3,24,405	1.25
				22-Feb-2019	-8,480	Transfer	3,15,925	1.22
				1-Mar-2019	-25,160	Transfer	2,90,765	1.12
		2,90,765	1.12	31-Mar-2019				
9	VIJAYA S	58,000	1.12	01-Apr-2018				
				18-Jan-2019	58,000	Sub Division	2,90,000	1.12
		2,90,000	1.12	31-Mar-2018				
10	PARSHVA KUMAR DAGA	54,770	1.06	01-Apr-2018				
				18-Jan-2019	2,73,850	Sub Division	2,73,850	1.06
		2,73,850	1.06	31-Mar-2019				



## E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(₹ In Lakhs)

Sr. No.	Shareholding at the beginning of the year (FV-10) (Before Split of Share)	Shareholding of each Directors and each Managerial Personnel		Cumulative Shareholding during the year (FV-2) (After Split of Share)	
		No. of Share	% of total shares of the Company	No. of Shares	% total shares of the Company
	<b>DIRECTORS</b>				
1.	Mr. Chirag A. Parekh, Chairman & Managing Director	1660946	32.01	8304730	32.01
2.	Dr.Sonal V. Ambani Independent Director	0	0.00	0	0.00
3.	Mr. Jagdish R. Naik Independent Director	3204	0.62	16020	0.62
4.	Mr.Ajit R. Sanghvi Independent Director	0	0.00	0	0.00
5.	Mr. Pradeep H. GohilIndependent Director	0	0.00	0	0.00
	<b>KMP</b>				
9.	Mr. Damodar H. Sejpal Company Secretary	1	0.00	5	0.00
10.	Mr. Anand H. Sharma Chief Financial Officer	0	0.00	0	0.00

## F. INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lakhs)

Particular	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year(April 1, 2018)</b>				
Principal amount	7477.28	0	0	7477.28
ii) Interest due but not paid	0		0	0
iii) Interest accrued but not due	0		0	0
<b>Total (i+ii+iii)</b>	<b>7477.28</b>	<b>0</b>	<b>0</b>	<b>7477.28</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	884.09	235.00	0	1119.09
* Reduction	(186.48)	(225.00)	0	(411.48)
Net Change	697.61	10.00	0	707.61
<b>Indebtedness at the end of the financial year (March 31, 2019)</b>	<b>8174.89</b>	<b>10.00</b>	<b>0</b>	<b>8184.89</b>
i) principal amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>8174.89</b>	<b>10.00</b>	<b>0</b>	<b>8184.89</b>



## V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

Sr. No.	Particular	Mr. Chirag A Parekh Chairman & Managing Director	Total Amount
1	Gross salary		
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act 1961	135.60	135.60
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961*	Nil	Nil
(c)	Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission- as % of profit- others, specify...	Nil	Nil
5	Others, please specify		
	Contribution to PF & FPF	14.40	14.40
	Contribution to Super Annuation Fund	18.00	18.00
	Contribution to EDLI	Nil	Nil
	Total (A)	168.00	168.00
	Ceiling as per the Act	It is within ceiling limit prescribed under Companies Act, 2013 and approval of Central Government.	

#### Note:

- \*Does not include premium for group personal accident and group mediclaim policy
- As recommended by Nomination and Remuneration Committee and decided by the Board of Directors

### B. Remuneration to other Directors

(₹ In Lakhs)

Sr. No.	Particular of Remuneration	Name of Directors				Total Amount
		Mr. Jagdish R Naik	Mr. Ajit R Sanghvi	Mr. Pradeep Gohil	Dr. Sonal Ambani	
1	<b>Independent Directors</b>					
	Fee for attending Board/ Committee Meetings	2.30	2.30	2.50	1.90	9.00
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>2.30</b>	<b>2.30</b>	<b>2.50</b>	<b>1.90</b>	<b>9.00</b>
2	<b>Other Non-Executive Directors</b>					
	Fee for attending Board/ Committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>2.30</b>	<b>2.30</b>	<b>2.50</b>	<b>1.90</b>	<b>9.00</b>
	<b>Total Managerial Remuneration</b>	-	-	-	-	<b>9.00</b>
	Overall Ceiling as per the Act	It is within ceiling limit prescribed under Companies Act, 2013				

Note: Excluding Service Tax

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

Sr No.	Particulars of remuneration	Key Managerial Personnel	
		Company Secretary	Chief Financial Officer
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.73	34.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.36	0.04
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	13.09	34.15

**VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Types	Section of the Companies Act	Brief description	Details of penalty/ punishment/ compounding fees impose	Authority (RD/ NCLT/COURT)	APPEAL MADE. IF ANY
<b>A</b>	<b>COMPANY</b>				
	Penalty				
	Punishment		Nil		
	Compounding				
<b>B</b>	<b>Directors</b>				
	Penalty				
	Punishment		Nil		
	Compounding				
<b>C</b>	<b>OTHER OFFICERS IN DEFAULT</b>				
	Penalty				
	Punishment		Nil		
	Compounding				

## Annexure II

### FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

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

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

Name (s) of the related party & nature of relationship	Name of Relationship	Nature of contracts/ arrangements/ transaction	Duration of contracts/ arrangement/ transactions	Salient terms of the contracts or arrangement or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance if any in (₹)
Acrysil Steel Limited	Subsidiary	Purchase of Goods and service and Interest on Loan and Royalty Receivable	Ongoing	As per Transfer pricing guidelines	29.03.2018 27.09.2018 31.10.2018	--
Acrycol Minerals limited	Associate	Purchase of Goods and Service	Ongoing	As per Transfer pricing guidelines	29.03.2018 05.02.2019	--
Acrysil GmbH, Germany	Subsidiary	Commission Paid / Sales of Goods/ Interest on Loan	Ongoing	As per Transfer pricing guidelines	29.03.2018 25.07.2018 05.02.2019	--
Acrysil UK Limited,	Subsidiary	Commission paid/ Interest on Loan	Ongoing	As per Transfer pricing guidelines	29.03.2018	--
Homestyle Products Limited, UK	Step-Down Subsidiary	Sales of Goods	Ongoing	As per Transfer pricing guidelines	29.03.2018 05.02.2019	--
Shri Chirag A. Parekh	Promoter	Unsecured Loan	Ongoing	As per Transfer pricing guidelines	31.10.2018	--
Shri Ashwin M. Parekh	Promoter	Consultancy Fess	Ongoing	As per Transfer pricing guidelines	29.03.2018	--

By order of the Board of Directors,  
For ACRYSil LIMITED

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

## Annexure III

### THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken.

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 23rd April, 2014, approved a CSR Policy of the Company. The same has been amended w.e.f. 13th February, 2018.

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 sanitation facilities to schools at Kardej village and medical support by way of donation given for purchase of one dialysis machine to Lions Charitable Trust, Bhavnagar for benefit of poor patients for dialysis treatment 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.

The Revised Corporate Social Responsibility Policy of the Company is available on the website of the Company and can be accessed at

[http://www.acrysilcorporateinfo.com/public/upload/pdf/3806Revised\\_CSR%20Policy%20of%20Acrysil%20Limited%20w.e.f.%2013.02.2018.pdf](http://www.acrysilcorporateinfo.com/public/upload/pdf/3806Revised_CSR%20Policy%20of%20Acrysil%20Limited%20w.e.f.%2013.02.2018.pdf)

2. At present, the Corporate Social Responsibility Committee comprises of 3 (three) members of the Board. The Chairman of the Committee is the Chairman & Managing Director.

Mr. Chirag A. Parekh (Chairman & Managing Director)	Chairman
Mr. Pradeep H. Gohil (Independent Director)	Member
Dr. Sonal V. Ambani (Independent Director)	Member

3. Average net profit (Profit before Tax) of the Company for last 3 financial year: ₹11.41 Crores.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): The Company is required to spend ₹22.63 Lakhs towards CSR.
5. Details of CSR spent during the financial year:
  - (a) Total amount to be spent for the financial year: ₹ 22.63 Lakhs
  - (b) Amount unspent, if any: ₹ 4.18 Lakhs\*

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ In Lakhs)

Sr. No.	CSR Project or Activity identified	Sector in which project is covered	Projects or Programs	Amount outlay (Budget project or program wise)	Amount spent on project or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
			Sub Heads		Sub Heads		
			Local area or others Specify the State and Districts where projects or programs was undertaken		(1)Direct Expenditure on projects or programs (2)Overheads		
1.	Bhavnagar Healthcare Project	Health (Note:1)	Bhavnagar, Gujarat	15.00	12.00	12.00	Agency (Lions Medical Centre by Lion Charitable Trust – Bhavnagar)
2.	Bhavnagar Healthcare Project	Health (Note:2)	Bhavnagar, Gujarat	3.00	2.50	2.50	Agency (Ashwanila Charitable Trust – Bhavnagar)
3.	Karmadiya Sanitation Project	Sanitation (Note :3)	Bhavnagar, Gujarat	2.00	0.77	0.77	Direct
4.	Rotary's CSR Project – Ray of Hope	Contribution towards Education and other social activities	Bhavnagar, Gujarat	4.00	3.18	3.18	Agency (Rotary Club- Bhavnagar)
			<b>Total Spent</b>	<b>24.00</b>	<b>18.45</b>	<b>18.45</b>	

**Notes:**

1. Medical support by way of donation given for purchase of one dialysis machine to Lions Medical Centre by Lion Charitable Trust – Bhavnagar for benefit of poor patients for dialysis treatment.
2. Medical support by way of donation given for purchase of one medical instrument for pressure relieving matters replacement system to Ashwanila Charitable Trust –Bhavnagar for benefit of poor patients.
3. Sanitation activities include sanitation work done at Karmadiya School, Karmadiya.
4. The Corporate Social Responsibility Committee of the Company hereby confirms that the implementation & monitoring of CSR policy, is in compliance with CSR objectives & policy of the Company.

\* The Company has spent ₹ 5,01,000/- (Rupees Five Lakhs One Thousand Only) however the same was not considered as eligible towards CSR expenditure, the Company has earmarked the amount for this financial year 2019-20.

**For ACRYSIL LIMITED**

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



## Annexure IV

Chairman of the Corporate Social Responsibility Committee

**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:**

- The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2018-19 and
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.

(₹ in Lakhs)

Sr No.	Name of the directors/ KMP and its designation	Remuneration director/KMP for the financial	Percentage increase in remuneration per annum year 2018-19	Median remuneration per annum in the financial	Ratio (remuneration of director to median remuneration)	Remarks
1	Mr. Chirag A. Parekh Chairman & Managing Director	168.00	Nil	2.40	70.00	-
2	Dr. Sonal V. Ambani Independent Director	1.90	137.50	2.40	0.79	Only Sitting Fees paid.
3	Mr. Jagdish R. Naik Independent Director	2.30	24.32	2.40	0.96	Only Sitting Fees paid.
4	Mr. Ajit R. Sanghvi Independent Director	2.30	19.05	2.40	0.96	Only Sitting Fees paid.
5	Mr. Pradeep Gohil Independent Director	2.50	19.05	2.40	1.04	Only Sitting Fees paid.
6	Mr. Damodar H. Sejpal Company Secretary	13.09	Nil	2.40	5.45	-
7	Mr. Anand Sharma Chief Financial Officer	34.15	6.75	2.40	14.23	-

- The Median Remuneration of Employees (MRE) of the Company is Rs 2.40 Lakhs for the Financial Year 2018-19. The MRE for the year decreased by 25 % compared to ₹ 3.20 Lakhs during the previous financial year.
- The number of permanent employees on the rolls of the Company is 264 for the year ended March 31, 2019.
- No increase made in the salaries of employees other than the managerial personnel in the last Financial Year and Officer and above category and below Officer Category employees. Managerial Remuneration was not increased during the year under consideration.
- 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 or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

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**Notes:**

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

**For and on behalf of the Board of Directors, ACRYSil LIMITED**

**Chirag A. Parekh**

(DIN: 00298807)

Chairman & Managing Director

Mumbai  
August 2, 2019

## Annexure V

### SECRETARIAL AUDIT REPORT FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

*[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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my 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, 2019 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, 2019, 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, 2009 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 w.e.f. 29th March, 2019;
  - d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit Period**);
  - 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, 1998; (**Not applicable to the Company during the Audit Period**);

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

- 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.

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2) SEBI (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 decision is 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 the Company has passed following resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

Sub-Division of equity shares by converting 1 equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each in accordance with Section 13, 61 and other applicable provisions, if any of the Companies Act, 2013.

1. Issue of 150,000 warrants each convertible into 1 equity share of face value of ₹ 10/- each at an exercise price of ₹ 550/- (including premium of ₹ 540/-) per equity share to Promoter and Promoter Group on preferential basis in accordance with Section 42, 62 (1) (c) and other applicable provisions, if any of the Companies Act, 2013, the rules made thereunder, the rules and regulations issued by the Securities and Exchange Board of India including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

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

1. Public / Right / Debentures / Sweat equity 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

Place: Mumbai  
Date: May 21, 2019

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

## Annexure VI

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

#### A. Conservation of Energy

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

#### B. Research and Development.

Innovation is the culture of the Company and it always try to improve from what we are and where we should be to satisfy and make our customer joyous. 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 acquiring, developing and utilizing is sincerely working for the improvement in quality of Kitchen Sinks and other products of the Company, improved packaging, cost reduction through the use of new and cheaper raw materials, changes incorporated in their quality specifications, minimizing wastes and losses at different stages of production to keep the company ahead of market competition.

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

- a) Introduced four new colors Bronze, Rose Gold, Pink & Sky Blue for German, UK & Domestic market.
- b) Introduction of 21 new models for various global market like USA, Germany etc.
- c) Developed cost effective packaging for some particular model of sinks for global market.
- d) Continuous innovation in product design and quality.

e) Innovate and improve process capability, attain global benchmarks with carried out by the Company consistent focus on the operational excellence.

g) Launched of a new type of sinks called Apron Sinks.

h) Our employee constantly visit international markets to identify and keep pace with the latest technologies available.

i) 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

j) Fine tuning of design parameters based on in-depth discussions and evaluation of customers feedback on product quality for enhanced variety of applications.

k) Continue to adopt innovation and emerging technologies as future growth drivers and improvement of existing products.

l) 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) Successful launch of New Products such as wash basin, tiles, WC etc.

c) Leveraging the core technological expertise that the Company has acquired over the years in order to stimulate demand by developing and offering innovative quality new products.



- d) Alignment of products meeting enhanced applications by modifying technical specifications and manufacturing processes.
- e) Improvement in quality, productivity, cost effectiveness & packaging.
- f) Precise machining and better quality of products.
- g) Certification is ISO 9001: 2015, ISO 14001:2015, BS OHSAS - 18001:2007 for Quality, Environment, Health and Safety standards & BSCI (Business Social Compliance Initiatives) - Code of Conduct Certification by TUV.

### 3. Future Plan of Action

- a) With a focus on automation, we will introduce more models of Kitchen Sinks in our manufacturing process. We will ramp up the casting process to improve productivity.
- 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 ongoing 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 2018-2019

a	Capital	NIL
b	Recurring	29.69
c	Total	29.69
d	Total R & D expenditure as a Percentage of Total Turnover	0.15%

### Technology absorption and research & development

- ❖ Research and Development
  - ❖ Technology absorption, adoption and innovation
- a) Efforts in brief made towards technology absorption, adoption and innovation:

- o Up gradation of existing product and processes to save cycle time, energy consumption and overall operational efficiency.
- o Improve the quality of the product and upgrade the Manufacturing Process of all the products of the Company.
- o Collaboration with technological institutes and technical experts to incorporating innovative ideas in to product and process.
- o 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.
- o The Company absorbs and adapts the technologies on a continuous basis to meet its specific product needs from time to time.
- o Development of process of improving its quality control methods & testing facilities.
- o Analyzing feedback from end users to improve quality of products.
- o Constant efforts are made to improve and upgrade the new technology for higher productivity, to achieve better quality & reduce cost.
- o Regular interaction with equipment designers and manufacturers and major raw material suppliers for improvements to processing and operating parameters.
- o Technology support to all overseas subsidiaries to improve efficiency and enable business growth.

- b) Benefits derived as a result of above efforts.
- o Central to maintaining competitiveness is the ability of producers to respond quickly and effectively to the changing demands of the international market.

- o Development of value-added products, improvement quality and cost optimization efforts surely translate into a competitive edge in the market place overall impacting brand of the company.
  - o Integration of human & technical resources to enhance workforce performance and satisfaction.
  - o Enhancing quality focus and customer orientation.
  - o Initiatives on lean practices by implementing Goal Setting and training to workmen.
  - o Re-engineering core processes to dramatically improve efficiency and drive business value.
  - o Upgrading manufacturing technology levels.
- c) Technology imported during the last 3 years. The company has not imported any technology during the last 3 years.
- C. FOREIGN EXCHANGE EARNINGS AND OUTGO**
1. Information on activities relating to exports, initiatives taken to increase exports, etc. are covered in the Management Discussion and Analysis in this annual report.
  2. Total foreign exchange used and earned
    - Earnings in foreign currency – ₹ 119.51 Crores previous year ₹ 93.59 Crores.
    - Outgo in foreign currency – ₹ 54.28 Crores previous year ₹ 48.12 Crores.

**For and on behalf of the Board of Directors, ACRYSIL LIMITED**

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

Mumbai  
 August 2, 2019

# CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31st March, 2019 is presented below:

## 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 standard 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 dealing 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.

## 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 director and more than fifty per cent of the Board of Directors comprised of Non-Executive Directors. The Board comprises of five Directors as on March 31, 2019 of which one is Managing Director and four are Independent Non-Executive Directors (80% 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 other Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

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

All the Directors have made necessary disclosures in respect of their directorship in other companies and membership/chairmanship in committees of other companies has 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 2018-19 and directorships, memberships and chairmanships in other public limited companies at the end of the financial year 2018-19 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	Category	No. of Board Meetings attended during 2018-19	Attendance at last AGM	No. of other directorships in other public companies incorporated in India #	No. of Other Board Committees (Numbers)	
					Membership	Chairmanship
Mr. Chirag A. Parekh	Promoter- Executive Chairman & Managing Director	8	Yes	3	NIL	NIL
Dr. Sonal V. Ambani	Independent Non-Executive Director	6	Yes	1	3	1
Mr. Jagdish R. Naik	Independent Non-Executive Director	7	Yes	NIL	NIL	NIL
Mr. Ajit R. Sanghvi	Independent Non-Executive Director	7	Yes	0	NIL	NIL
Mr. Pradeep H. Gohil	Independent Non-Executive Director	8	Yes	3	3	1

The terms and conditions of appointment of Independent Directors are incorporated on the website of the Company [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com). The details of familiarization programmes for Independent Directors have been provided in the Directors' Report and posted on the website of the Company and can be accessed at <http://www.acrysilcorporateinfo.com/public/upload/pdf/9390FamiliarisationProgrammeForIndependentDirectors.pdf>

## (II) MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2018-19, 8 (Eight) 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.

April 11, 2018	May 29, 2018	July 25, 2018	September 27, 2018
October 31, 2018	November 16, 2018	February 5, 2019	March 29, 2019

The necessary quorum was present for all the meetings.

During the year 2018-19, 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) SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the reporting financial year, a separate Meeting of the Independent Directors of the Company, was held on March 29, 2019 whereat the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed:

- a. Review of performance of Non-Independent Directors and the Board as a whole.
- b. Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- c. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the board to effectively and reasonably perform their duties.

### (IV) NO. OF SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2019

Statement showing number of equity shares of the company held by the Non Executive Directors as on 31st March, 2019.

Sr. No.	Name of Director	No. of Shares held
1.	Mr. Jagdish R. Naik	16,020

None of the other Non-Executive Directors hold any shares in the Company as on March 31, 2019.

### 3. COMMITTEE OF THE BOARD

The Board of Directors of the Company had 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.

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.

#### AUDIT COMMITTEE

The Audit Committee inter-alia reviews financial statements, compliance with Indian Accounting Standards and Listing Regulations and other legal requirements covering financial statements, related party transactions, internal audit reports by the independent internal auditors, recommends appointment and scope of internal auditors and appointment of statutory auditors and recommending their remuneration to the Board.

The composition and terms of reference of Audit Committee are in accordance with the Companies Act, 2013 and Regulation 18 of the SEBI (LODR), Regulations, 2015.

The Committee met 6 (six) times during the financial year 2018-19 on the following dates:

May 29, 2018	July 25, 2018	September 27, 2018
October 31, 2018	February 5, 2019	March 29, 2019

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 summarized below:



Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Jagdish Naik	Independent – Non- Executive	Chairman	6	6
Mr. Chirag A Parekh	Promoter- Executive	Member	6	6
Dr. Sonal V Ambani	Independent- Non- Executive	Member	6	4
Mr. Ajit R Sanghvi	Independent- Non- Executive	Member	6	6
Mr. PradeepH.Gohil	Independent- Non- Executive	Member	6	6

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.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Executive Directors as well as the nomination and appointment of Directors. The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of Section 178 Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

The Committee inter-alia reviews as well as recommends the remuneration package after considering the factors such as experience, expertise, position, responsibilities shouldered by the individual and leadership qualities.

The Committee met 2 (two) time during the financial year on the following dates.

September 27,2018	March 29,2019
-------------------	---------------

The Nomination and Remuneration Committee comprises 4 (Four) Non-Executive Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of Nomination and Remuneration as well as the particulars of attendance and attendance at the Nomination and Remuneration Committee Meetings is as under:

Name of the Director	Category	Position	No. of meetings	
			Held	Attended
Mr. Pradeep H. Gohil	Non- Executive & Independent	Chairman	2	2
Dr. Sonal V. Ambani	Non- Executive & Independent	Member	2	2
Mr. Jagdish R. Naik	Non- Executive & Independent	Member	2	2
Mr. Ajit Sanghvi	Non- Executive & Independent	Member	2	2

#### Remuneration of Directors

Independent Non-Executive Directors are paid sitting fees for meetings of Board of Directors and Committees of Directors. The Company Board pays remuneration to its Chairman & Managing Director by way of salary, commission, perquisites and allowances. The remuneration to the Managing Director is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders and Central Government. Remuneration and

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

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.

The detailed information for Directors' remuneration for financial year 2018-19 are as follows:

(₹ In Lakhs)

Director	Sitting fees for Board/ Committee Meeting	Salaries and other perquisites	Other remuneration	Commission	Total
Mr.Chirag A. Parekh Chairman & Managing director	Nil	168.00 (includes exempted perquisites ₹32.40 Lakhs)	Nil	Nil	168.00
Dr. Sonal V. Ambani	1.90	Nil	Nil	Nil	1.90
Mr.Jagdish R.Naik	2.30	Nil	Nil	Nil	2.30
Mr. Ajit R Sanghvi	2.30	Nil	Nil	Nil	2.30
Mr. PradeepH.Gohli	2.50	Nil	Nil	Nil	2.50

The terms of appointment of Chairman & Managing Director is governed by the resolutions of the shareholders and applicable rules of the Company.

Severance compensation is payable to the Chairman & Managing Director if their employment is terminated before the contractual period, subject to the provisions and limitations specified in Section 191 and 202 of the Companies Act, 2013.

#### Performance evaluation of Directors

The Board of Directors has carried out the annual performance evaluation of the Directors individually as well as the evaluation of the working of its Board and their Committees for the financial year pursuant to the provisions of Companies Act and Listing Regulations and guidance note issued by Securities and Exchange Board of India.

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.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Relationship / Grievance Redressal Committee are as per the governing provisions of the Companies Act, 2013 (section 178) 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 / which meets at quarterly intervals.

### Composition and Meeting

The Stakeholders Relationship Committee met 4 (four) times during the year on the following dates.

May 29, 2018	July 25, 2018	October 31, 2018	February 5, 2019
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Stakeholders Relationship Committee comprises of 4 Directors, of which one executive director and three independent directors. The detailed constitution and attendance at the committee meetings is as under:

Name of the Director	Category	Position	No. of meetings	
			Held	Attended
Mr. Ajit R. Sanghvi	Independent - Non-Executive Director	Chairman	4	4
Mr. Chirag A. Parekh	Promoter- Executive	Member	4	4
Dr. Sonal V. Ambani	Independent- Non-Executive Director	Member	4	2
Mr. Jagdish R. Naik	Independent- Non-Executive Director	Member	4	4

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

The status of investor grievances received during the financial year 2018-19 is as follows:

No. of Complaints pending as on April 1, 2018	Nil
No. of Complaints / queries received during the year	08
No. of Complaints resolved during the year	08
No. of Complaints pending as on March 31, 2019	Nil

## 7. 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.

### Composition and Meeting

The Company held 3 (three) meetings of its Corporate Social Responsibility Committee during the year on the following dates.

May 29, 2018	October 31,2018	February 5, 2019
--------------	-----------------	------------------

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

Name of the Member	Category	Position	No. of meetings	
			Held	Attended
Mr. Chirag A. Parekh	Promoter-Executive	Chairman	3	3
Dr. Sonal V. Ambani	Independent-Non-Executive Director	Member	3	2
Mr. Pradeep H. Gohil	Independent-Non-Executive Director	Member	3	3

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

#### 9. POLICY FOR PROHIBITION OF INSIDER TRADING:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has The Company has amended and adopted the Code for Prevention of Insider Trading, 2015 as required under SEBI(Prohibition of Insider Trading) Regulations, 2015 subsequent Code for Prevention of Insider Trading as required under SEBI (Prohibition of Insider Trading) Regulations, 1992. The Directors and Senior Management affirmed compliance of the said Code. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company.

#### 10. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Independent Directors pursuant to the requirements of Regulation 25 of LODR 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 familiarization 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>

## 12. GENERAL MEETINGS

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

Year	Location	Day/date	Time	Details of Special Resolution
2015-16	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400 020	Saturday, September 24, 2016	3.30 P.M.	1. Increase borrowing powers of the board 2. Creation of charge on the assets of the Company 3. Re-appointment of Mr. Chirag A. Parekh as Chairman & Managing Director
2016-17	20, Down Town, M Karve Road, Churchgate, Mumbai, Maharashtra-400020	Wednesday, September 20, 2017	03:30 P.M.	No Special Resolution was passed.
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.

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

YEAR	LOCATION	DAY/DATE	TIME	DETAILS OF SPECIAL RESOLUTION
2015-16	Indian Merchant Chambers, IMC Road, Churchgate, Mumbai – 400 020	Friday August 14, 2015	11.00 AM	1. approve issue of 5,30,976 equity shares of the company on preferential basis in terms of ICDR regulation to certain persons/entities not forming part of promoter and promoter group (“PPG”)
2016-17	No extra ordinary general meeting held during the year			
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.

### III. Special resolution passed through postal ballot, the person who conducted the postal ballot exercise and details of the voting pattern.

There was no Special Resolution passed through Postal Ballot during the financial year 2018- 2019. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.



## 13. DISCLOSURES

### 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. Transactions with every Related Party were entered as per the provisions of the law and the Related Party Policy. A copy of the Policy for dealing with Related Party transactions is available on the website of the Company i.e. [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com)

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

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 and were entered with the approval of Audit and Risk Management 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. 35 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.

### 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 the workplace ('Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

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.

### Statutory Compliance, Penalties and Strictures

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

There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any Statutory Authorities for any matter relating to Capital Market during the last three years.

## 14. 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 institutionalized a 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. 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.

During the year under review, no employee was denied access to the Audit Committee.

### Code of Business Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 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 our website, [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com).

A declaration to this effect, signed by the MD and the CFO, forms part of the CEO and CFO certification.

### CMD /CFO Certification.

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CMD and CFO certification is provided in this Annual Report.

### Mandatory & Non-Mandatory Clauses

During the year, the Company has fully complied with the mandatory requirements as stipulated in SEBI (LODR) Regulations, 2015. The non-mandatory requirements complied with has been disclosed at the relevant places.

## 15. MEANS OF COMMUNICATION

### Quarterly results:

- The Company publishes limited reviewed un-audited standalone 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 Navshakti (Marathi).
- The financial results and the official news releases are also placed on the company's website [www.acrysilcorporateinfo.com](http://www.acrysilcorporateinfo.com) in the 'Investor Relations' section.

- Presentations made to institutional investors or to the analysts:
- In line with last year, the Company plans to send the soft copies of Annual-Report 2018-19 to those shareholders whose email ids are registered with the Depository Participants (DPs) and/or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in the Corporate Governance", an initiative taken by the Ministry of Corporate Affairs (MCA).
- Management Discussion and Analysis forms part of the Annual Report.

## 16. GENERAL SHAREHOLDER INFORMATION

### (i) 32nd Annual General Meeting

The 32nd Annual General Meeting of the Members will be held on Friday, the September 13, 2019 at 03:30p.m.

#### Venue:

Indian Merchant Chambers, IMC Road, Churchgate, Mumbai -400 020.

### (ii) Tentative Financial Calendar for the Year 2019-20

Financial Year	April 1, 2019 to March 31, 2020
First Quarter Results	August 2, 2019
Half Yearly results	First week of November 2019
Third quarter results	Second week of February 2020
Results of year end	Third week of May 2020

a.	Saturday, September 7, 2019 to Friday, September 13, 2019 (both days inclusive).	Dates of Book Closure
b.	The proposed dividend, if approved at the ensuing Annual General Meeting will be distributed on or around September 30, 2019.	Dividend payment date
c.	The Bombay Stock Exchange Limited (BSE). Listing fees for the year 2019-20 have been paid.	Listing on Stock Exchanges
d.	The Bombay Stock Exchange Limited (BSE): 524091	Stock Codes (for shares)
e.	Demat ISIN Number in NSDL and CDSL	INE482D01024
f.	Volume of shares traded on BSE	1884082

(iii) Market Price Data:

Month	The Bombay Stock Exchange Limited (BSE)			
	High*	Low*	Closing**	No. of Shares Traded
April, 2018	632.9	505.05	566.9	138250
May, 2018	574.75	491	496.1	55584
June, 2018	564.4	461	480	72896
July, 2018	588	421.5	565.2	61356
August, 2018	598	527.5	588.2	50583
September, 2018	685	505	509.9	147576
October, 2018	563	471	551.75	52482
November, 2018	625	530.05	579	108002
December, 2018	624	550	608.95	57035
January, 2019	625	***107.55	***113.65	765721
February, 2019	***121.9	***96.5	***103.85	224270
March, 2019	***120.5	***103.1	***110.9	150267

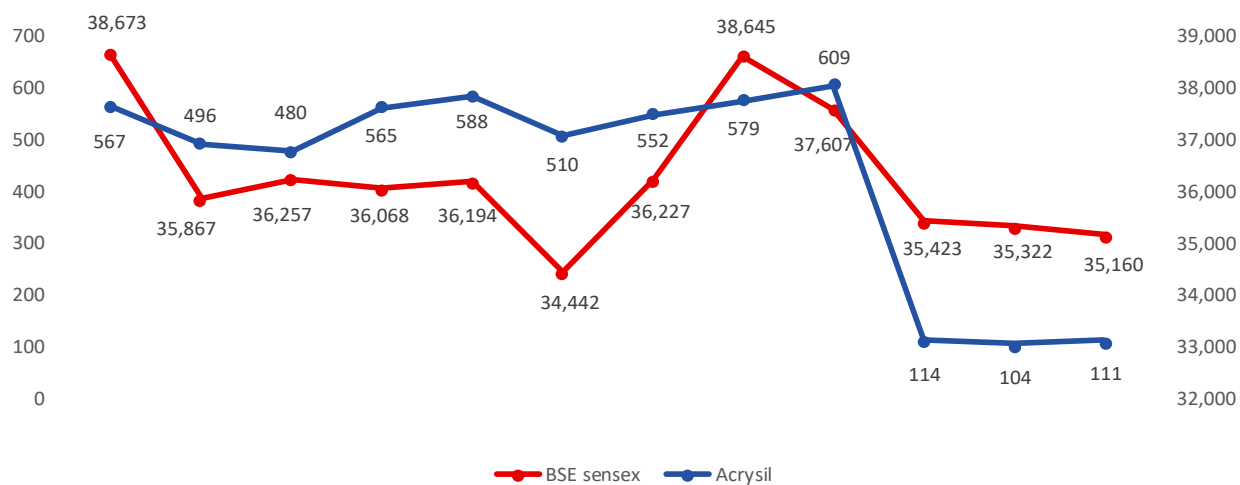
\* considered highest price and lowest price during the respective month

\*\* considered closing Sensex as at last day of the respective month

\*\*\* Prices after sub-division of face value of shares from ₹10 each to ₹ 2 each

(iv) Share Price Movements:

Share Price Movement for the period from April, 2018 to March 2019 Acrysil Limited v/s BSE Sensex.



Month	Acrysil Limited	BSE
	Monthly Closing Price	Monthly Closing Sensex
Apr-18	566.90	38672.91
May-18	496.10	35867.44
Jun-18	480.00	36256.69
Jul-18	565.20	36068.33
Aug-18	588.20	36194.30
Sep-18	509.90	34442.05
Oct-18	551.75	36227.14
Nov-18	579.00	38645.07
Dec-18	608.95	37606.58
Jan-19	113.65	35423.48
Feb-19	103.85	35322.38
Mar-19	110.90	35160.36

#### (v) Share Transfer System

The share transfer function is carried out by the Registrars and Transfer Agents – Bigshare Services Private Limited. Share transfers in physical form can be lodged at their office at 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

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

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

Particulars	2018-19	2017-18
Number of transfers	8	6
Numbers of shares processed	2636	454810

#### (vi) Distribution of Shareholdings as on March 31, 2019

Range	No. of Shareholders	Percentage (%)	Shares Amount (₹)	Percentage(%)
1-5000	4281	88.09	4700500	9.06
5001-10000	325	6.69	2306270	4.44
10001-20000	129	2.65	1809120	3.49
20001-30000	38	0.78	917420	1.77
30001-40000	19	0.39	673560	1.30
40001-50000	11	0.23	490580	0.95
50001-100000	23	0.47	1672790	3.22
Above 100000	34	0.70	39319520	75.78
<b>TOTAL</b>	<b>4860</b>	<b>-</b>	<b>51889760</b>	<b>100.00</b>

**(vii) Categories of Shareholders as on March 31, 2019**

Category	No. of Shareholders	Voting Strength%	No. of Shares
Promoters	9	42.42	2201350
Financial Institutions /Banks	1	0.00	100
Central / State Government(s)*	2	0.72	37129
Bodies Corporate	87	4.52	234339
Clearing member	32	0.47	24554
Directors /Relatives	10	0.75	38940
Non resident Indians (NRI)	138	4.67	242362
Overseas Bodies Corporate	1	8.72	452400
Resident Individual	4580	37.73	1957802
<b>TOTAL</b>	<b>4860</b>	<b>100.00</b>	<b>51,88,976</b>

\* Includes shares transferred to IEPF authority.

**(viii) Dematerialization of Shares and Liquidity**

96.63 % of the Company's share capital is held in dematerialized form as on March 31, 2019. The Company's shares are regularly traded on The Bombay Stock Exchange Limited

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

In accordance with the provisions of Section 125 of the Companies Act, 2013 the unpaid/unclaimed dividend of ₹4,25,224/- (for FY 2010-11) was lying in the company's separate unpaid dividend account and lasting unclaimed for a period of seven years, was transferred to the IEPF.

**(x) Factory:**

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

**(xi) Address for Correspondence:**

**Registered Office:**

**Acrysil Limited**

B-307, Citi Point,  
J. B. Nagar, Andheri- Kurla Road,  
Andheri (East).Mumbai – 400 059.  
Tel:(91-22) 4015 7817 / 7818 / 7819  
Fax: (91-22) 2825 8052.  
CIN: L26914MH1987PLC042283  
Website: www.acrysil.com /  
www.acrysilcorporateinfo.com

**(xii) 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

**For ACRYSil LIMITED**

**CHIRAG A. PAREKH**

(DIN: 00298807)

Chairman & Managing Director

Mumbai  
August 2, 2019

## 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, 2019 that: -

- a. We have reviewed financial statements of Acrysil Limited for the year that to the best of my knowledge and belief:
  - (xiii) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (xiv) 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 H. SHARMA**  
 Chief Financial Officer

Mumbai  
 August 2, 2019



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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To  
The Members  
Acrysil Limited

We have examined the compliance of conditions of Corporate Governance by Acrysil Limited ("the Company") for the year ended 31st March, 2019, 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").

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.

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. 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 Chartered accountants of India.

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

We further state that such compliance 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 A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
PartnerMem.No.170275  
FRN: 116825W

Mumbai  
August 2, 2019

# INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**ACRYSIL LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Acrysil Limited ("the Company") which comprise the Balance Sheet as at 31st March 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019 and of the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone

financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

### Key Audit Matter:

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

### Auditor's Response:

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

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does not include the financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Management's Responsibility for the 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.

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

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 31st March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, 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.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS 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

Mumbai  
May 22, 2019

## ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- |  |  |
|--|--|
| <p>1 In respect of fixed assets:</p> <ul style="list-style-type: none"><li>a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</li><li>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.</li><li>c. The title deeds of immovable properties are held in the name of the Company.</li></ul> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> | <p>7 In respect of statutory and other dues:</p> <ul style="list-style-type: none"><li>a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods &amp; 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.</li><li>b. There are no amounts outstanding, which have not been deposited on account of dispute.</li></ul> <p>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.</p> <p>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).</p> <p>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.</p> <p>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.</p> <p>12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.</p> <p>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.</p> |
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|---|---|
| 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 except issue of preferential share warrants to the promoter group in accordance with the relevant provisions of the Act. | 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.                 |
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**For P A R K & COMPANY**  
Chartered Accountants  
FRN: 116825W

Mumbai  
May 22, 2019

**ASHISH DAVE**  
Partner  
Membership No. 170275



## ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Acrysil Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS 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 issued by the Institute of Chartered Accountants of India. 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.

### Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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 internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control



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over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, 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 issued by the Institute of Chartered Accountants of India.

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**For P A R K & COMPANY**

Chartered Accountants

FRN: 116825W

Mumbai  
May 22, 2019

**ASHISH DAVE**

Partner

Membership No. 170275

# BALANCE SHEET

AS AT 31st MARCH, 2019

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	7,978.26	7,245.48
Capital work in progress	2	336.56	212.17
Intangible assets	3	179.95	47.16
Financial assets			
Investments	4	1,407.51	1,407.51
Loans	5	462.62	881.94
Other financial assets	6	160.69	143.33
Other non-current assets	7	194.78	264.86
		<b>10,720.37</b>	<b>10,202.45</b>
<b>Current Assets</b>			
Inventories	8	3,951.41	3,316.76
Financial assets			
Investments		-	-
Trade receivables	9	4,392.68	4,023.96
Cash and cash equivalents	10	1,079.33	1,532.88
Other bank balances	11	47.12	40.11
Loans	5	5.45	5.47
Other financial assets	6	0.18	0.18
Other current assets	7	2,615.98	2,811.52
		<b>12,092.15</b>	<b>11,730.88</b>
<b>Total Assets</b>		<b>22,812.52</b>	<b>21,933.33</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	12	518.90	518.90
Other equity	13	10,858.68	9,986.43
Money received against Share Warrants		206.25	-
		<b>11,583.83</b>	<b>10,505.33</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	14	1,163.06	1,100.60
Other financial liabilities	15	-	-
Provisions	16	35.91	35.27
Deferred tax liabilities (net)	17	327.27	326.07
Other non-current liabilities	18	-	-
		<b>1,526.24</b>	<b>1,461.94</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	14	6,516.80	6,052.35
Trade payables	19		
Total outstanding dues of Micro and Small Enterprises		413.48	387.60
Total outstanding dues of creditors other than Micro and Small Enterprises		1,635.60	2,532.77
Other financial liabilities	15	687.64	494.49
Other current liabilities	18	357.33	318.42
Provisions	16	91.59	180.43
		<b>9,702.45</b>	<b>9,966.07</b>
<b>Total Liabilities</b>		<b>22,812.52</b>	<b>21,933.33</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**J R NAIK**  
Director

**ANAND SHARMA**  
Chief Financial Officer  
Mumbai  
May 22, 2019

**DAMODAR SEJPAL**  
Company Secretary

Mumbai  
May 22, 2019

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	Note No.	2018-2019	2017-2018
<b>REVENUE:</b>			
Revenue from operations ( net )	20	19,875.60	15,380.37
Other income	21	273.45	512.74
<b>Total Revenue</b>		<b>20,149.05</b>	<b>15,893.11</b>
<b>EXPENSES:</b>			
Cost of materials consumed	22	6,982.07	5,326.62
Purchases of traded goods		1,639.64	1,243.82
Changes in inventories	23	(570.31)	(618.28)
Employee benefits expenses	24	1,374.98	1,290.86
Finance costs	25	756.37	662.40
Depreciation and amortisation expenses	26	767.99	623.93
Other expenses	27	7,530.37	6,384.92
<b>Total Expenses</b>		<b>18,481.11</b>	<b>14,914.27</b>
<b>Profit before exceptional items and tax</b>		<b>1,667.94</b>	<b>978.84</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>1,667.94</b>	<b>978.84</b>
Tax expenses			
Current tax	16.1	465.00	209.00
Earlier years' tax		26.06	18.72
Deferred tax		(1.52)	109.70
<b>Profit for the year</b>		<b>1,178.40</b>	<b>641.42</b>
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		9.35	(10.28)
b. Tax impacts on above		(2.72)	3.40
Items that may be reclassified to profit or loss			
<b>Other comprehensive income for the year</b>		<b>6.63</b>	<b>(6.88)</b>
<b>Total Comprehensive Income for the year</b>		<b>1,185.03</b>	<b>634.54</b>
Basic and diluted earning per share	28	4.54	2.47
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

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer

Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
Company Secretary

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31st MARCH, 2019

## A. SHARE CAPITAL

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
At the beginning of the year	518.90	518.90
Changes in equity share capital during the year	-	-
At the end of the year	518.90	518.90

## B. OTHER EQUITY

(₹ in lakhs)

Particulars	General reserve	Retained earnings	Capital reserve	Security premium	Other Comprehensive Income	Total
					Net gain/(loss) on fair value of defined benefit plan	
<b>As at 1st April, 2017</b>	<b>3,400.00</b>	<b>3,065.93</b>	<b>25.20</b>	<b>3,164.09</b>	<b>8.94</b>	<b>9,664.16</b>
Profit for the year	-	641.42	-	-	-	641.42
Other comprehensive income for the year (net of tax)	-	-	-	-	(6.88)	(6.88)
Transfer from retained earnings to general reserve	200.00	(200.00)	-	-	-	-
Final dividend , declared and paid during the year	-	(259.45)	-	-	-	(259.45)
Dividend distribution tax	-	(52.82)	-	-	-	(52.82)
<b>As at 31st March, 2018</b>	<b>3,600.00</b>	<b>3,195.08</b>	<b>25.20</b>	<b>3,164.09</b>	<b>2.06</b>	<b>9,986.43</b>
Profit for the year	-	1,178.40	-	-	-	1,178.40
Other comprehensive income for the year (net of tax)	-	-	-	-	6.63	6.63
Transfer from retained earnings to general reserve	300.00	(300.00)	-	-	-	-
Final dividend , declared and paid during the year	-	(259.45)	-	-	-	(259.45)
Dividend distribution tax	-	(53.33)	-	-	-	(53.33)
<b>As at 31st March, 2019</b>	<b>3,900.00</b>	<b>3,760.70</b>	<b>25.20</b>	<b>3,164.09</b>	<b>8.69</b>	<b>10,858.67</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

**For P A R K & COMPANY**

Chartered Accountants

**ASHISH DAVE**

Partner

For and on behalf of the Board of Directors

**CHIRAG PAREKH**

Chairman & Managing Director

**J R NAIK**

Director

**ANAND SHARMA**

Chief Financial Officer

**DAMODAR SEJPAL**

Company Secretary

Mumbai  
May 22, 2019

Mumbai  
May 22, 2019

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	2018-2019		2017-2018	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net profit before tax		<b>1,667.94</b>		<b>978.84</b>
Adjustments for -				
Depreciation and amortization	767.99		623.93	
Loss / (profit) on sale of property, plant & equipment	(0.89)		(3.21)	
Interest	549.64		392.48	
Operating profit before working capital changes	<b>1,316.74</b>		<b>1,013.20</b>	
Adjustments for -				
Trade and other receivables	(118.10)		(1,442.55)	
Inventories	(634.65)		(475.83)	
Trade and other payables	(650.91)		1,300.97	
<b>Cash generated from operations</b>	<b>(1,403.66)</b>		<b>(617.40)</b>	
Direct taxes paid	(627.92)	(714.84)	(533.53)	(137.73)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>953.11</b>		<b>841.11</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of property, plant & equipment		(1,764.49)		(1,839.09)
Sale of property, plant & equipment		7.42		3.50
Interest received		169.16		112.12
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,587.90)</b>		<b>(1,723.47)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from loans borrowed (net)		526.91		1,345.80
Money received against share warrants		206.25		-
Loans lent/recovered		419.32		(113.06)
Dividend paid		(252.44)		(259.08)
Interest paid		(718.80)		(504.60)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>181.24</b>		<b>469.05</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>(453.56)</b>		<b>(413.31)</b>
Cash and cash equivalents as at beginning of the year		1,532.88		1,946.19
Cash and cash equivalents as at end of the year		1,079.33		1,532.88

As per our report of even date

**For P A R K & COMPANY**

Chartered Accountants

**ASHISH DAVE**

Partner

For and on behalf of the Board of Directors

**CHIRAG PAREKH**

Chairman & Managing Director

**J R NAIK**

Director

**ANAND SHARMA**

Chief Financial Officer

**DAMODAR SEJPAL**

Company Secretary

Mumbai  
May 22, 2019

Mumbai  
May 22, 2019



# [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

## COMPANY INFORMATION

**Acrysil Limited** ("the Company") is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India. The 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).

The standalone Ind AS financial statements ("the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors on 22nd May, 2019.

## 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.

### 1.2 Application of New Accounting Pronouncements

The Company has applied the following Ind AS preponements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

- a. The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April, 2018.
- b. The Company has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1st April, 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1st April, 2018 and on the Statement of Profit and Loss for the year ended 31st March, 2019.
- c. The Company has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration with effect from 1st April, 2018 retrospectively to all assets, expenses and income initially recognised on or after 1st April, 2018 and the impact on implementation of Appendix is immaterial.

### 1.3 Significant accounting policies:

#### a. System of accounting

The Company follows mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

#### b. Key accounting estimates

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

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

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 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 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 1st April 2017 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1st April 2017 except for certain class of assets which are measured at fair value as deemed cost.
- (vi) The Company depreciates property, plant and equipment on written down value method except for buildings, plant & equipment and dies & moulds where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vii) Intangible assets mainly represent implementation cost for software and other application software acquired/ developed for in-house use and design and property rights of the Company. These assets are stated at cost. Cost includes related acquisition expenses, related

borrowing costs, if any, and other direct expenditure.

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

### d. Investments and financial assets

- (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 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., 1st April, 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

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

recognition except if and in the period the Company changes its business model for managing financial assets.

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

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

### **e. Inventories**

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and work-in-progress are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

### **f. Cash and cash equivalents**

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

### **g. Trade receivables**

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

### **h. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

### **i. Financial liabilities**

- (i) Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### **j. Trade payables**

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

### **k. Revenue recognition**

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

- (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.
- (iv) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (v) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (vi) 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.

### **I. Excise Duty, Custom Duty and GST:**

Excise duty (applicable till 30th June 2017) in respect of goods manufactured by the Company is accounted for at the time of removal of goods from factory for sale.

Purchased of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

### **m. Foreign currency transactions**

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

presentation currency.

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

### **n. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

### **o. Leases**

A lease is classified at the inception date as a finance lease or an operating lease. Leases are classified as finance leases whenever the terms of the lease transfer

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company has identified all its leases as operating leases.

### **Assets taken on operating lease**

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### **p. Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

### **q. Impairment of non financial assets**

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

### **r. Taxation**

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

recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

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

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

### **s. Provisions and contingent liabilities**

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

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

### **t. Earnings Per Share**

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

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

### u. Segment reporting

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

### v. Offsetting instruments

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

### w. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

### x. Changes in Accounting Standards and recent accounting pronouncements

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Company is currently evaluating the implications of Ind AS 116 on the Financial Statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

Ind AS 12 Income Tax  
Ind AS 23 Borrowing Cost  
Ind AS 103 Business Combinations  
Ind AS 111 Joint Arrangements  
Ind AS 109 Financial Instruments  
Ind AS 19 Employee Benefits

The Company is in the process of evaluating the impact of such amendments.



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 2

#### Property, plant and equipment

(₹ in lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould & Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>								
<b>As at 1st April, 2017</b>	<b>2,004.06</b>	<b>1,373.59</b>	<b>1,381.04</b>	<b>3,939.59</b>	<b>299.95</b>	<b>617.80</b>	<b>301.90</b>	<b>9,917.93</b>
Additions	340.87	119.91	299.15	932.56	31.33	96.81	15.45	1,836.08
Disposals	-	-	(5.81)	-	-	-	-	(5.81)
<b>As at 31st March, 2018</b>	<b>2,344.93</b>	<b>1,493.51</b>	<b>1,674.38</b>	<b>4,872.16</b>	<b>331.28</b>	<b>714.60</b>	<b>317.35</b>	<b>11,748.20</b>
Additions	-	287.56	359.85	696.30	26.06	7.89	115.56	1,493.22
Disposals	-	-	(4.35)	-	-	-	(13.17)	(17.52)
<b>As at 31st March, 2019</b>	<b>2,344.93</b>	<b>1,781.07</b>	<b>2,029.88</b>	<b>5,568.46</b>	<b>357.34</b>	<b>722.49</b>	<b>419.74</b>	<b>13,223.90</b>
<b>Accumulated depreciation</b>								
<b>As on 1st April, 2017</b>	<b>-</b>	<b>232.33</b>	<b>784.23</b>	<b>2,179.65</b>	<b>235.53</b>	<b>222.87</b>	<b>231.52</b>	<b>3,886.13</b>
Depreciation charged	-	45.35	96.08	307.76	55.75	96.68	20.48	622.11
Disposals	-	-	(5.52)	-	-	-	-	(5.52)
<b>As at 31st March, 2018</b>	<b>-</b>	<b>277.68</b>	<b>874.79</b>	<b>2,487.41</b>	<b>291.28</b>	<b>319.55</b>	<b>252.00</b>	<b>4,502.72</b>
Depreciation charged	-	49.31	136.47	370.36	40.70	100.71	56.35	753.90
Disposals	-	-	-	-	-	-	(10.98)	(10.98)
<b>As at 31st March, 2019</b>	<b>-</b>	<b>326.98</b>	<b>1,011.26</b>	<b>2,857.78</b>	<b>331.98</b>	<b>420.27</b>	<b>297.37</b>	<b>5,245.64</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2018</b>	<b>2,344.93</b>	<b>1,215.83</b>	<b>799.58</b>	<b>2,384.75</b>	<b>40.00</b>	<b>395.05</b>	<b>65.35</b>	<b>7,245.48</b>
<b>As at 31st March, 2019</b>	<b>2,344.93</b>	<b>1,454.09</b>	<b>1,018.62</b>	<b>2,710.68</b>	<b>25.36</b>	<b>302.22</b>	<b>122.36</b>	<b>7,978.26</b>
<b>Capital Work in Progress</b>								
<b>As at 31st March, 2018</b>	<b>-</b>	<b>43.00</b>	<b>54.19</b>	<b>114.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>212.17</b>
<b>As at 31st March, 2019</b>	<b>-</b>	<b>48.94</b>	<b>79.67</b>	<b>207.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>336.56</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 3 Intangible assets

(₹ in lakhs)

Particulars	Design & Property Rights	Computer Software	Total
<b>Gross carrying value</b>			
<b>As at 1st April, 2017</b>	<b>18.22</b>	<b>85.23</b>	<b>103.45</b>
Additions	-	-	-
<b>As at 31st March, 2018</b>	<b>18.22</b>	<b>85.23</b>	<b>103.45</b>
Additions	146.87	-	146.87
Disposals	-	-	-
<b>As at 31st March, 2019</b>	<b>165.09</b>	<b>85.23</b>	<b>250.32</b>
<b>Accumulated depreciation</b>			
<b>As on 1st April, 2017</b>	<b>5.47</b>	<b>49.00</b>	<b>54.47</b>
Depreciation charged	1.82	-	1.82
Disposals	-	-	-
<b>As at 31st March, 2018</b>	<b>7.29</b>	<b>49.00</b>	<b>56.29</b>
Depreciation charged	14.08	-	14.08
Disposals	-	-	-
<b>As at 31st March, 2019</b>	<b>21.37</b>	<b>49.00</b>	<b>70.37</b>
<b>Net carrying value</b>			
<b>As at 31st March, 2018</b>	<b>10.93</b>	<b>36.23</b>	<b>47.16</b>
<b>As at 31st March, 2019</b>	<b>143.72</b>	<b>36.23</b>	<b>179.95</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 4

#### Non-current investment

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>a. Investments valued at cost, fully paid up</b>		
<b>Investments in subsidiaries in India</b>		
Acrysil Steel Limited	459.80	459.80
45,98,000 equity shares of ₹ 10 each fully paid-up (extent of holding: 84.99%)		
<b>Acrysil Appliances Limited</b>	100.00	100.00
10,00,000 equity shares of ₹ 10 each fully paid-up (extent of holding: 100.00%)		
<b>Sternhagen Bath Private Limited</b>	8.49	8.49
84,900 equity shares of ₹ 10 each fully paid-up (extent of holding: 84.90%)		
	<b>568.29</b>	<b>568.29</b>
<b>Investments in subsidiaries outside India</b>		
Acrysil Gmbh	171.48	171.48
9 equity shares of Euro 25,000 each (extent of holding: 100.00%)		
<b>Acrysil UK Limited</b>	<b>667.74</b>	<b>667.74</b>
6,90,001 equity shares of GBP 1 each (extent of holding: 100.00%)		
	<b>839.22</b>	<b>839.22</b>
<b>Total non-current investments</b>	<b>1,407.51</b>	<b>1,407.51</b>
<b>Aggregate amount of quoted investments</b>	-	-
<b>Market value of quoted investments</b>	-	-
<b>Aggregate amount of unquoted investments</b>	<b>1,407.51</b>	<b>1,407.51</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 5

#### Loans

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>				
Loan to subsidiary companies	462.62	881.94	-	-
Employee loans	-	-	5.45	5.47
<b>Total loans</b>	<b>462.62</b>	<b>881.94</b>	<b>5.45</b>	<b>5.47</b>

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.

(₹ in lakhs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
<b>Subsidiaries:</b>				
Acrysil Steel Limited	29.60	451.94	29.60	451.94
Acrysil Gmbh	187.78	180.39	187.78	180.39
Acrysil UK Limited	245.25	249.61	245.25	249.61
	<b>462.62</b>	<b>881.94</b>		

### Note 6

#### Other financial assets

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Security deposits	160.69	143.33	-	-
Interest receivables	-	-	0.18	0.18
<b>Total other financial assets</b>	<b>160.69</b>	<b>143.33</b>	<b>0.18</b>	<b>0.18</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 7

#### Other assets

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Trade advances to suppliers	-	-	576.20	343.88
Capital advances	194.78	264.86	-	-
Advances to staff	-	-	44.39	37.93
Prepaid expenses	-	-	28.77	26.98
Claims receivables	-	-	903.16	1,012.25
Input credit receivables	-	-	1,003.98	1,365.20
Gratuity fund	-	-	27.10	-
Other advances	-	-	32.37	25.28
<b>Total other assets</b>	<b>194.78</b>	<b>264.86</b>	<b>2,615.98</b>	<b>2,811.52</b>
<b>Trade advances:</b>				
- To subsidiary companies	-	-	10.57	23.36
- To companies or firms in which some of the directors are interested	-	-	4.80	4.80

### Note 8

#### Inventories

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Stores & spares	51.17	43.08
Stock-in-trade	942.46	756.71
Raw materials	299.27	253.77
Finished goods	1,204.68	681.46
Semi finished goods	995.79	1,134.45
Bought out items	333.43	307.00
Packing materials	124.61	140.28
<b>Total inventories</b>	<b>3,951.41</b>	<b>3,316.76</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 9

#### Trade receivables

(Unsecured, considered good unless otherwise stated)

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Trade receivables	5,065.93	4,618.32
Less: Provision for doubtful debts	(673.25)	(594.36)
<b>Total trade receivables</b>	<b>4,392.68</b>	<b>4,023.96</b>
Above includes due from related parties		
- Subsidiaries	736.02	440.29

### Note 10

#### Cash and cash equivalents

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Balances with banks	215.26	96.29
Short term deposits*	824.57	1,396.93
Cash on hand	39.50	39.66
<b>Total cash and cash equivalents</b>	<b>1,079.33</b>	<b>1,532.88</b>

\* includes ₹ 217.54 lakhs (₹ 858.67 lakhs) under lien with banks against various credit facilities

### Note 11

#### Other bank balances

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Dividend accounts	47.12	40.11
Other term deposits	-	-
<b>Total other bank balances</b>	<b>47.12</b>	<b>40.11</b>



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 12 Equity share capital

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Authorised</b>		
4,00,00,000( 80,00,000) equity shares of ₹ 2	800.00	800.00
(previous year ₹ 10) each		
	<b>800.00</b>	<b>800.00</b>
<b>Issued, Subscribed and Paid up</b>		
2,59,44,880 (51,88,976) equity shares of ₹ 2	518.90	518.90
(previous year: ₹ 10) each		
<b>Total equity share capital</b>	<b>518.90</b>	<b>518.90</b>

Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: 74,30,000

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

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	83,04,730	32.01	83,04,730	32.01
Schock GmbH	22,62,000	8.72	22,62,000	8.72

#### Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a face value of ₹ 10 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 13 Other equity

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Capital reserve</b>		
Balance at the beginning of the year	25.20	25.20
Add: transferred from retained earnings	-	-
Balance at the end of the year	25.20	25.20
<b>General reserve</b>		
Balance at the beginning of the year	3,600.00	3,400.00
Add: transferred from retained earnings	300.00	200.00
Balance at the end of the year	3,900.00	3,600.00
<b>Securities premium account</b>	<b>3,164.09</b>	<b>3,164.09</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	3,195.08	3,065.93
Profit for the year	1,178.40	641.42
Appropriations		
Transfer to general reserve	(300.00)	(200.00)
Dividend	(259.45)	(259.45)
Dividend distribution tax	(53.33)	(52.82)
Balance at the end of the year	3,760.70	3,195.08
<b>Other components of equity</b>		
Remeasurement of debined benefit plans (net of tax)	8.69	2.06
	<b>8.69</b>	<b>2.06</b>
<b>Total other equity</b>	<b>10,858.68</b>	<b>9,986.43</b>

**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 derecognized.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 14 Borrowings

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
<b>Secured</b>				
Term loans from banks	1,163.06	1,100.60	-	-
Working capital finance from banks	-	-	6,405.19	5,955.74
	<b>1,163.06</b>	<b>1,100.60</b>	<b>6,405.19</b>	<b>5,955.74</b>
<b>Unsecured</b>				
Term loans from related parties	-	-	111.61	96.61
	-	-	111.61	96.61
<b>Total borrowings</b>	<b>1,163.06</b>	<b>1,100.60</b>	<b>6,516.80</b>	<b>6,052.35</b>

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 and one of the promoters 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 and one of the promoters of the Company.

### Note 15 Other financial liabilities

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Current maturities of long-term debt	-	-	606.63	420.93
Unclaimed dividend	-	-	47.12	40.11
Deposits from distributors and others	-	-	33.89	33.45
<b>Total other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>687.64</b>	<b>494.49</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 16 Provisions

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Provision for leave encashment	35.91	35.27	8.58	7.19
Provision for income tax (refer note no. 16.1)	-	-	60.89	144.41
Provision for bonus	-	-	22.12	28.82
<b>Total provisions</b>	<b>35.91</b>	<b>35.27</b>	<b>91.59</b>	<b>180.43</b>

### Note 16.1 Income tax assets (net)

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Income tax assets (net)</b>		
The following table provides the details of income tax assets and liabilities :		
Current income tax liabilities	1,500.90	1,064.74
Income tax assets	1,561.79	920.32
<b>Net balance</b>	<b>60.89</b>	<b>144.42</b>
<b>The gross movement in the current tax asset / (liability)</b>		
Net current income tax asset at the beginning	144.42	397.40
Income tax paid (net of refunds)	(574.59)	(480.70)
Current income tax expense	491.06	227.72
Income tax on other comprehensive income	-	-
Net current income tax asset at the end	60.89	144.42
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	1,667.94	978.84
Applicable income tax rate	29.12%	34.61%
	485.70	338.76
Effect of expenses/depreciation for tax purpose (net)	(20.44)	(129.76)
Effect of income not considered for tax purpose	(0.26)	-
	(20.70)	(129.76)
Income tax expense charged to the Statement of Profit and Loss	465.00	209.00

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 17

#### Deferred tax liabilities

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Deferred tax liabilities / (assets)</b>		
On account of timing differences in		
Depreciation on property, plant & equipment	534.09	560.67
Provision for doubtful debts	(196.05)	(219.98)
Disallowances u/s 40(a) and 43B of the Income Tax Act	(10.77)	(14.62)
	<b>327.27</b>	<b>326.07</b>

### Note 18

#### Other liabilities

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Advances from customers	-	-	179.36	149.62
Statutory liabilities	-	-	43.30	46.35
Other liabilities	-	-	134.67	122.45
<b>Total other liabilities</b>	<b>-</b>	<b>-</b>	<b>357.33</b>	<b>318.42</b>

### Note 19

#### Trade payables

(₹ in lakhs)

Particulars	Current	
	31st March 2019	31st March 2018
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 35)	413.48	387.60
Total outstanding dues of creditors other than Micro and Small Enterprises	1,635.60	2,532.77
<b>Total trade payables</b>	<b>2,049.08</b>	<b>2,920.37</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 20

#### Revenue from operations

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Sale of products</b>		
Export sales	13,103.74	10,306.05
Domestic sales (net of excise duty)	5,873.54	4,617.38
	<b>18,977.28</b>	<b>14,923.43</b>
<b>Other operating revenue</b>		
Export incentives & credits	894.26	456.94
Other Operating Income	4.06	-
<b>Total revenue from operations</b>	<b>19,875.60</b>	<b>15,380.37</b>

### Note 21

#### Other income

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Interest receipts	169.16	151.67
Gain on foreign currency fluctuation	72.98	325.44
Insurance claim receipts	18.97	9.92
Profit on sale of property, plant & equipments (net)	0.89	3.21
Miscellaneous income	11.45	22.50
<b>Total other income</b>	<b>273.45</b>	<b>512.74</b>

### Note 22

#### Cost of materials consumed

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Opening stock	253.77	357.28
Add: Purchases	5,713.76	4,174.37
	<b>5,967.53</b>	<b>4,531.65</b>
Less: Closing stock	299.27	253.77
	<b>5,668.26</b>	<b>4,277.88</b>
Bought out items	1,313.81	1,048.74
<b>Total cost of materials consumed</b>	<b>6,982.07</b>	<b>5,326.62</b>



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 23

#### Changes in inventories

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Closing Stock</b>		
Finished goods	1,204.68	681.46
Stock-in-trade	942.46	756.71
Semi finished goods	995.79	1,134.45
	<b>3,142.93</b>	<b>2,572.62</b>
<b>Opening Stock</b>		
Finished goods	681.46	614.28
Stock-in-trade	756.71	561.57
Semi finished goods	1,134.45	778.50
	<b>2,572.62</b>	<b>1,954.34</b>
<b>Changes in inventories</b>	<b>(570.31)</b>	<b>(618.28)</b>

### Note 24

#### Employee benefit expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Salaries, wages, bonus, and allowances	1,082.59	1,015.45
Directors' remuneration	168.00	170.32
Contribution to provident fund and other welfare funds	71.51	53.22
Staff welfare expenses	52.88	51.87
<b>Total employee benefit expenses</b>	<b>1,374.98</b>	<b>1,290.86</b>

### Note 25

#### Finance costs

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Interest</b>		
Banks	578.90	474.80
Income tax	6.00	13.00
Exchange Rate Difference on Foreign Account	105.87	112.55
Others	28.03	25.58
	<b>718.80</b>	<b>625.93</b>
Other borrowing costs	37.57	36.47
<b>Total finance costs</b>	<b>756.37</b>	<b>662.40</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 26

#### Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Depreciation on tangible assets	753.90	622.11
Depreciation on intangible assets	14.08	1.82
<b>Total depreciation and amortisation</b>	<b>767.99</b>	<b>623.93</b>

### Note 27

#### Other expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Manufacturing expenses</b>		
Power & fuel	559.54	439.89
Machinery repairs and maintenance	58.79	55.59
Packing materials and expenses	1,860.49	1,600.74
Stores and spares	254.58	209.34
Other expenses	674.56	611.09
	<b>3,407.96</b>	<b>2,916.66</b>
<b>Selling and distribution expenses</b>		
Sales commission	173.23	82.04
Advertisement and business promotion	649.26	659.35
Export freight and insurance	1,152.58	947.34
Other selling expenses	378.52	293.41
	<b>2,353.59</b>	<b>1,982.13</b>
<b>Administrative and other expenses</b>		
Rent	262.43	237.87
Rates & taxes	3.84	7.42
Travelling expenses	473.02	468.61
Postage and telephone expenses	97.83	82.98
Printing and stationery expenses	29.75	27.08
Insurance premiums	44.73	28.41
Building and other repairs	107.17	68.64
Bank discount, commission and other charges	151.05	77.62
Legal and professional fees	198.00	226.70
Payment to auditors	15.57	12.75
Directors sitting fees	9.00	6.90
Corporate social responsibility expenses	18.45	26.23
Donations	8.62	1.05
Bad debts and provision for doubtful advances	88.30	9.96
General expenses	261.06	203.91
	<b>1,768.82</b>	<b>1,486.13</b>
<b>Total other expenses</b>	<b>7,530.37</b>	<b>6,384.92</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

<b>Expenditure towards Corporate Social Responsibility (CSR) activities</b>		
Gross amount required to be spent by the Company during the year	22.63	24.89
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	18.45	26.23
	18.45	26.23
<b>Payments to auditors *</b>		
Audit fees (including quarterly review)	12.45	8.25
Tax audit fees	1.50	1.50
Other services	1.62	3.00
	<b>15.57</b>	<b>12.75</b>

### Note 28 Earning per share

Particulars	2018-2019	2017-2018
Profit for the year (₹ in lakhs)	1,178.40	641.42
Weighted average number of shares (Nos)	2,59,44,880	2,59,44,880
Earnings per share (Basic and diluted) ₹	4.54	2.47
Face value per share ₹	2.00	2.00

### Note 29 Fair value measurement

#### Financial instruments by category

(₹ in lakhs)

Particulars	31st March 2019			31st March 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	-	1,407.51	-	-	1,407.51
Trade receivables	-	-	4,392.68	-	-	4,023.96
Loans	-	-	468.07	-	-	887.41
Other financial assets	-	-	160.87	-	-	143.52
Cash and cash equivalents	-	-	1,079.33	-	-	1,532.88
Other bank balances	-	-	47.12	-	-	40.11
<b>Total financial assets</b>	-	-	<b>7,555.58</b>	-	-	<b>8,035.38</b>
<b>Liabilities</b>						
Borrowings	-	-	7,679.86	-	-	7,152.95
Trade payables	-	-	2,049.08	-	-	2,920.37
Other financial liabilities	-	-	687.64	-	-	494.49
<b>Total financial liabilities</b>	-	-	<b>10,416.58</b>	-	-	<b>10,567.82</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 30 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

#### A. Credit Risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables and receivables from group companies and others.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

#### B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

**Contractual maturities of significant financial liabilities are as follows:**

(₹ in lakhs)

Particulars	Less than or equal to one year	more than one year	Total
<b>As on 31st March 2019</b>			
Borrowings	6,516.80	1,163.06	7,679.86
Trade payables	2,049.08	-	2,049.08
Other financial liabilities	-	687.64	687.64
<b>As on 31st March 2018</b>			
Borrowings	6,052.35	1,100.60	7,152.95
Trade payables	2,920.37	-	2,920.37
Other financial liabilities	-	494.49	494.49

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2019	+100	76.80
	-100	(76.80)
March 31, 2018	+100	71.53
	-100	(71.53)

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

#### b) Exposure in foreign currency -Hedged

Category	31st March 2019	31st March 2018
Option Contract - Buy		
USD/EURO/GBP	4.98	2.50
Option Contract - Sell		
USD/EURO	6.40	-

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### c) Exposure in foreign currency - Unhedged

Currency	31st March 2019	31st March 2018
<b>Receivables</b>		
USD	20.91	25.05
EURO	14.66	13.33
GBP	9.54	6.72
<b>Payables</b>		
USD	3.27	27.04
EURO	2.38	11.58
GBP	-	2.58

### d) Foreign currency sensitivity

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company 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
<b>March 31, 2019</b>	USD	+5%	61.03
	USD	-5%	(61.03)
<b>March 31, 2018</b>	USD	+5%	(6.48)
	USD	-5%	6.48
<b>March 31, 2019</b>	GBP	+5%	43.16
	GBP	-5%	(43.16)
<b>March 31, 2018</b>	GBP	+5%	18.91
	GBP	-5%	(18.91)
<b>March 31, 2019</b>	EURO	+5%	47.71
	EURO	-5%	(47.71)
<b>March 31, 2018</b>	EURO	+5%	7.07
	EURO	-5%	(7.07)



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 31

#### Capital management

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

The following table summarises the capital of the Company:

(₹ in lakhs)

Particulars	As at	
	31st March 2019	31st March 2018
Total debt	8,286.49	7,573.89
Total equity	11,583.83	10,505.33
Total debt to equity ratio	0.72	0.72

#### Dividends

(₹ in lakhs)

Dividends recognised in the financial statements	31st March 2019	31st March 2018
Final dividend for the year ended 31st March 2017 of ₹ 5 per equity share	-	259.45
Final dividend for the year ended 31st March 2018 of ₹ 5 per equity share	259.45	-
<b>Dividends not recognised in the financial statements</b>		
Directors have recommended the payment of final dividend of ₹ 1.2 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	311.34	-

### Note 32

#### Contingent Liabilities

(₹ in lakhs)

No.	Particulars	31st March 2019	31st March 2018
1	Guarantees to banks against credit facilities extended to Subsidiary Companies	1,855.69	2,115.04
2	In respect of disputed excise duty	-	1.10
3	In respect of disputed custom duty	41.54	41.54

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 33

#### 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	31st March 2019	31st March 2018
<b>Amount recognised in balance sheet</b>		
Present value of funded defined benefit obligation	105.70	118.81
Fair value of plan assets	132.80	114.68
<b>Net unfunded obligation/assets</b>	<b>(27.10)</b>	<b>4.13</b>
<b>Expense recognised in the statement of profit and loss</b>		
Current service cost	13.94	11.45
Interest on net defined benefit asset	0.32	(0.06)
<b>Total expense charged to profit and loss Account</b>	<b>14.26</b>	<b>11.39</b>
<b>Amount recorded as other comprehensive income</b>		
Opening amount recognised in OCI outside profit & loss Account	(3.40)	(13.67)
Remeasurements during the period due to:	-	-
Return on plan assets	(9.56)	9.40
Actual (gain)/loss on obligation for the period	0.21	0.88
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(12.75)</b>	<b>(3.40)</b>
<b>Reconciliation of net liability/(asset)</b>		
Opening net defined benefit liability/(asset)	4.13	(0.86)
Expense charged to profit and loss account	14.26	11.39
Amount recognised outside profit and loss account	(9.35)	10.28
Benefits paid	(17.62)	-
Employer contributions	(18.52)	(16.68)
<b>Closing net defined benefit liability/(asset)</b>	<b>(27.10)</b>	<b>4.13</b>
<b>Movement in benefit obligation</b>		
Opening of defined benefit obligation	118.81	94.25
Current service cost	13.94	11.45
Interest on defined benefit obligation	9.30	6.79
Actuarial loss/(gain) arising from change in financial assumptions	0.45	(7.27)
Benefits directly paid by the employer	(9.17)	-
Benefits paid	(17.62)	(3.09)
Actuarial loss/(gain) on obligation	(10.01)	16.67
<b>Closing of defined benefit obligation</b>	<b>105.70</b>	<b>118.81</b>
<b>Movement in plan assets</b>		
Opening fair value of plan assets	114.68	95.11
Actual return on plan assets excluding interest on plan assets	(0.21)	(0.88)
Interest income	8.98	6.85
Contributions by employer	18.52	16.68
Benefits paid	(9.17)	(3.09)
<b>Closing of defined benefit obligation</b>	<b>132.80</b>	<b>114.68</b>
<b>Principal actuarial assumptions</b>		
Discount Rate	7.79	7.83
Salary escalation rate p.a.	7.79	7.83
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs)

No.	Particulars	Sensitivity level	31st March 2019	31st March 2018
1	Discount Rate	1% Increase	(10.48)	(10.21)
		1% Decrease	12.14	11.88
2	Salary	1% Increase	12.12	11.86
		1% Decrease	(10.64)	(10.38)
3	Employee Turnover	1% Increase	0.34	0.43
		1% Decrease	(0.43)	(0.52)

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

(₹ in lakhs)

No.	Particulars	31st March 2019	31st March 2018
1	Within the next 12 months (next annual reporting period)	6.48	7.30
2	Between 2 and 5 years	33.37	28.90
3	Beyond 5 years	262.87	263.01

### Note 34

Disclosure as required by the Ind AS 17, "Leases" as specified in the companies ( Accounting Standard ) rules 2015 ( as amended ) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit & Loss as Rent in Note 27.
- The Company has taken properties on operating lease. The lease rentals are payable by the Company on a monthly or quarterly basis.

### Note 35

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in lakhs)

No.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)	-	-
2	Principal amount due to micro and small enterprise	413.48	387.60
3	Interest due on above	-	-

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### 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
<b>(i) Subsidiaries Companies</b>		
1	Acrysil Appliances Limited	India
2	Acrysil Steel Limited	India
3	Acrysil Gmbh	Germany
4	Acrysil UK Limited	UK
5	Home Style Products Limited	UK
6	Sternhagen Bath Private Limited	India
<b>(ii) Associates</b>		
7	Acrycol Minerals Limited	India
8	Meccanica Plast Private Limited	India
9	Ashwanilla Charitable Trust	India
10	C P Sports Venture Private Limited	India
<b>(iii) Key Managerial Personnel</b>		
11	Mr. Ashwin M Parekh	
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. Damodar H Sejpai	
18	Mr. Anand H Sharma	

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

(₹ in lakhs)

Nature of transaction	Relationship	Year ended 31st March 2019	Year ended 31st March 2018
<b>Subsidiary Companies and Associates</b>			
1. Sales of materials			
Homestyle Products Limited, UK	Subsidiary	1,478.69	1,025.67
Acrysil Steel Limited	Subsidiary	0.32	160.21
Acrysil Gmbh, Germany	Subsidiary	288.09	118.74
<b>Total...</b>		<b>1,767.10</b>	<b>1,304.62</b>
2. Commission			
Acrysil Gmbh, Germany	Subsidiary	112.49	64.65
3. Purchase of materials			
Acrysil Steel Limited	Subsidiary	447.67	267.67
Acrycol Minerals Limited	Associates	1,307.51	1,041.17
<b>Total...</b>		<b>1,755.18</b>	<b>1,308.84</b>
4. Interest received			
Acrysil Gmbh, Germany	Subsidiary	14.31	10.21
Acrysil UK Limited, UK	Subsidiary	20.90	14.47
Acrysil Steel Limited	Subsidiary	29.60	37.50
<b>Total...</b>		<b>64.81</b>	<b>62.18</b>
5. Rent received			
Acrycol Minerals Limited	Associate	0.60	1.20
Acrysil Steel Limited	Subsidiary	0.60	0.60
<b>Total...</b>		<b>1.20</b>	<b>1.80</b>
6. Corporate social responsibility			
Ashwanilla Charitable Trust	Associate	2.50	-
7. Royalty income			
Acrysil Steel Limited	Subsidiary	4.06	-
8. Sales promotion expenses			
C P Sports Venture Private Limited	Associate	2.31	-
9. Business Establishment and Sales Support Services			
Acrysil Steel Limited	Subsidiary	0.80	-

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Nature of transaction	Relationship	Year ended 31st March 2019	Year ended 31st March 2018
10. Donations			
Ashwanilla Charitable Trust	Associate	5.01	-
11. Repayment of loan given			
Acrysil Steel Limited	Subsidiary	451.94	-
<b>Outstanding balances:</b>			
1. Non current loans			
Acrysil Gmbh, Germany	Subsidiary	187.78	180.39
Acrysil UK Limited	Subsidiary	245.25	249.61
Acrysil Steel Limited	Subsidiary	29.60	451.94
<b>Total...</b>		<b>462.62</b>	<b>881.94</b>
2. Other current assets			
Acrycol Minerals Limited	Associate	0.20	1.20
Meccanica Plast Private Limited	Associate	3.60	3.60
Acrysil Steel Limited	Subsidiary	18.97	18.37
Ashwanilla Charitable Trust	Associate	7.49	-
Sternhagen Bath Private Limited	Subsidiary	0.30	0.30
Acrysil Appliances Limited	Subsidiary	4.68	4.68
<b>Total...</b>		<b>35.24</b>	<b>28.15</b>
3. Trade Payables			
Acrycol Minerals Limited	Associate	-	11.09
Acrysil Steel Limited	Subsidiary	92.92	9.49
<b>Total...</b>		<b>92.92</b>	<b>20.58</b>
4. Trade receivables			
Acrysil Steel Limited	Subsidiary	-	17.60
Acrysil Gmbh, Germany	Subsidiary	117.38	76.69
Homestyle Products Limited, UK	Subsidiary	618.64	346.00
<b>Total...</b>		<b>736.02</b>	<b>440.29</b>
5. Intercompany loans taken			
Acrysil Appliances Limited	Subsidiary	101.61	96.61
6. Advances from customers			
Acrysil Gmbh, Germany	Subsidiary	-	6.17



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Nature of transaction	Relationship	Year ended 31st March 2019	Year ended 31st March 2018
7. Advances to suppliers			
C P Sports Venture Private Limited	Associate	7.23	-
Acrycol Minerals Limited	Associates	25.29	-
Acrysil Steel Limited	Subsidiary	0.12	0.12
<b>Total...</b>		<b>32.64</b>	<b>0.12</b>
<b>Key management personnel and relatives</b>			
1. Remuneration			
Mr. Chirag Parekh	Chairman & Managing Director	168.00	170.32
Mr. Damodar Sejpal	Company Secretary	13.65	13.82
Mr. Anand Sharma	Chief Financial Officer	34.82	31.99
<b>Total...</b>		<b>216.48</b>	<b>216.12</b>
2. Professional Fees			
Mr. Ashwin M Parekh	Chairman Emeritus	28.80	28.80
3. Loan repaid			
Mr. Chirag Parekh	Chairman & Managing Director	225.00	75.00
4. Loan taken			
Mr. Chirag Parekh	Chairman & Managing Director	235.00	-
5. Interest paid			
Mr. Chirag Parekh	Chairman & Managing Director	3.03	2.10
6. Sitting Fees			
Mr. Jagdish R Naik	Independent Director	2.30	1.85
Mr. Ajit R Sanghavi	Independent Director	2.30	2.15
Mr. Pradeep H Gohil	Independent Director	2.50	2.10
Dr. Sonal Ambani	Independent Director	1.90	0.80
<b>Total...</b>		<b>9.00</b>	<b>6.90</b>
<b>Outstanding Balances:</b>			
1. Non current borrowings			
Mr. Chirag Parekh	Chairman & Managing Director	10.00	-
2. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	3.55	-

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

- 37.** The shareholders of the Company at their Extra-Ordinary General Meeting held on 21st December, 2018 has approved sub-division of each equity shares of the Company having face value of ₹ 10 each in to 5 equity shares having face value of ₹ 2 each fully paid up. Accordingly, as per requirement of Ind AS 33 – Earning Per Share, the Earning Per Share (EPS) of the current previous year had been restated.
- 38.** Pursuant to the approval of the members in the Extra-Ordinary General Meeting held on 9th May, 2018, 1,50,000 warrants have been issued to the promoter group on the 11th May, 2018 at 550 per warrant to be converted into 5 equity shares having face value of ₹ 2 for each warrant within 18 months from the date of issue of the warrants.
- 39.** Balances for trade receivables, trade payable and loans and advances are subject to confirmations from the respective parties.
- 40.** All the amounts are stated in Indian ₹ in lakhs, unless otherwise stated.
- 41.** Previous year's figures are regrouped and rearranged, wherever necessary.

### Signatures to Notes 1 to 41

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer

Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
Company Secretary

# INDEPENDENT AUDITORS' REPORT

To  
**The Members of  
ACRYSIL LIMITED**

## Report on the Consolidated Ind AS 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 subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2019, 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 and notes to the consolidated financial statements, a summary of the significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2019 and of the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 recognized when the Holding Company performs its obligation to its customers, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Holding Company.

### Auditor's Response:

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

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management

Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does not include the financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The 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.

#### **Auditors' Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures

that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 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.
- 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 ₹ 7,687.64 lakhs as at 31st March, 2019, total revenues of ₹ 7,661.75 lakhs and net profit after tax (including other comprehensive income) of ₹ 589.73 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 Ind AS financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters with respect to our reliance on the work done and the reports of the other auditors.

#### 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 a subsidiaries incorporated in India 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 Ind AS 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 2019 and taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiaries company in India, none of the directors of the Group is disqualified as on 31st March 2019, 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 subsidiary companies incorporated in India, remuneration paid by the Holding Company and its subsidiary companies 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The 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**

Mumbai  
 22nd May, 2019

**ASHISH DAVE**  
**Partner**  
**Membership No. 170275**



## ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2019, 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 issued by the Institute of Chartered Accountants of India. 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.

### Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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 Institute of Chartered Accountants of India. 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 consolidated Ind AS 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 consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its subsidiary company which are companies incorporated in India, have, in

all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### 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**

Mumbai  
22nd May, 2019

**ASHISH DAVE**  
**Partner**  
**Membership No. 170275**

# CONSOLIDATED BALANCE SHEET

AS AT 31st MARCH, 2019

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	9,415.70	8,720.75
Capital work in progress	2	350.41	212.17
Intangible assets	3	181.79	49.00
Goodwill		2,350.31	2,350.31
Financial assets			
Investments		-	-
Loans		-	-
Other financial assets	5	167.75	147.62
Other non-current assets	6	202.91	268.11
		<b>12,668.87</b>	<b>11,747.96</b>
<b>Current Assets</b>			
Inventories	7	5,369.76	4,817.23
Financial assets			
Investments		-	-
Trade receivables	8	5,432.13	4,814.55
Cash and cash equivalents	9	1,351.62	1,704.77
Other bank balances	10	47.12	40.11
Loans	4	7.30	7.64
Other financial assets	5	0.18	0.18
Other current assets	6	2,665.28	2,846.51
		<b>14,873.39</b>	<b>14,230.99</b>
<b>Total Assets</b>		<b>27,542.26</b>	<b>25,978.95</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	11	518.90	518.90
Other equity	12	12,765.18	11,310.91
Non controlling interests		157.87	134.33
Money received against Share Warrants		206.25	-
		<b>13,648.20</b>	<b>11,964.14</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	13	1,656.50	1,862.08
Other financial liabilities	14	-	-
Provisions	15	41.70	41.56
Deferred tax liabilities (net)	16	248.79	227.50
Other non-current liabilities	17	-	-
		<b>1,946.99</b>	<b>2,131.14</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	13	6,819.71	6,241.87
Trade payables	18		
Total outstanding dues of Micro and Small Enterprises		789.07	387.60
Total outstanding dues of creditors other than Micro and Small Enterprises		2,334.41	3,401.87
Other financial liabilities	14	1,299.53	1,140.84
Other current liabilities	17	504.70	392.62
Provisions	15	199.65	318.87
		<b>11,947.07</b>	<b>11,883.67</b>
<b>Total Liabilities</b>		<b>27,542.26</b>	<b>25,978.95</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer  
Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
Company Secretary

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS

### FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	Note No.	2018-2019	2017-2018
<b>REVENUE:</b>			
Revenue from operations (net)	19	25,159.87	19,646.70
Other income	20	213.36	461.16
<b>Total Revenue</b>		<b>25,373.23</b>	<b>20,107.86</b>
<b>EXPENSES:</b>			
Cost of materials consumed	21	7,990.80	6,223.67
Purchases of traded goods		3,415.45	2,867.55
Changes in inventories	22	(452.18)	(830.29)
Employee benefits expenses	23	1,851.65	1,712.63
Finance costs	24	972.85	626.82
Depreciation and amortisation expenses	25	863.91	714.44
Other expenses	26	8,310.05	7,104.60
<b>Total Expenses</b>		<b>22,952.54</b>	<b>18,419.44</b>
<b>Profit before exceptional items and tax</b>		<b>2,420.69</b>	<b>1,688.42</b>
Tax expenses			
Current tax	15.1	626.65	336.85
Earlier years' tax		27.57	18.73
Deferred tax		18.26	109.15
<b>Profit after tax</b>		<b>1,748.21</b>	<b>1,223.69</b>
Profit attributable to non-controlling interest		23.54	28.61
<b>Profit for the year</b>		<b>1,724.67</b>	<b>1,195.08</b>
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		10.52	(10.09)
b. Tax impacts on above		(3.03)	3.34
Items that may be reclassified to profit or loss			
c. Exchange differences on foreign currency translation		34.89	(218.08)
<b>Other comprehensive income for the year</b>		<b>42.38</b>	<b>(224.83)</b>
<b>Total Comprehensive Income for the year</b>		<b>1,767.05</b>	<b>970.25</b>
Basic and diluted earning per share	27	6.64	4.60
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

**ASHISH DAVE**  
Partner

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

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Director

**ANAND SHARMA**  
Chief Financial Officer

**DAMODAR SEJPAL**  
Company Secretary

Mumbai  
May 22, 2019

Mumbai  
May 22, 2019

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 31st MARCH, 2019

### A. SHARE CAPITAL

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
At the beginning of the year	518.90	518.90
Changes in equity share capital during the year	-	-
At the end of the year	518.90	518.90

### B. OTHER EQUITY

(₹ in lakhs)

Particulars	General reserve	Retained earnings	Capital reserve	Security premium	Other Comprehensive Income		Total
					Foreign currency translation reserve	Net gain/(loss) on fair value of defined benefit plan	
<b>As at 1st April, 2017</b>	<b>3,399.60</b>	<b>3,713.15</b>	<b>25.20</b>	<b>3,225.29</b>	<b>280.71</b>	<b>8.98</b>	<b>10,652.93</b>
Profit for the year	-	1,195.08	-	-	-	-	1,195.08
Other comprehensive income for the year (net of tax)	-	-	-	-	(218.08)	(6.75)	(224.83)
Transfer from retained earnings to general reserve	200.00	(200.00)	-	-	-	-	-
Final dividend, declared and paid during the year	-	(259.45)	-	-	-	-	(259.45)
Dividend distribution tax	-	(52.82)	-	-	-	-	(52.82)
<b>As at 31st March, 2018</b>	<b>3,599.60</b>	<b>4,395.96</b>	<b>25.20</b>	<b>3,225.29</b>	<b>62.63</b>	<b>2.23</b>	<b>11,310.90</b>
Profit for the year	-	1,724.67	-	-	-	-	1,724.67
Other comprehensive income for the year (net of tax)	-	-	-	-	34.89	7.49	42.38
Transfer from retained earnings to general reserve	300.00	(300.00)	-	-	-	-	-
Final dividend, declared and paid during the year	-	(259.45)	-	-	-	-	(259.45)
Dividend distribution tax	-	(53.33)	-	-	-	-	(53.33)
<b>As at 31st March, 2019</b>	<b>3,899.60</b>	<b>5,507.86</b>	<b>25.20</b>	<b>3,225.29</b>	<b>97.52</b>	<b>9.72</b>	<b>12,765.17</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer

Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	2018-2019		2017-2018	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net profit before tax		2,420.69		1,688.42
Adjustments for -				
Depreciation and amortization	863.92		714.44	
Loss / (profit) on sale of property, plant & equipment	0.89		(3.21)	
Provision for doubtful debts/written off	10.14		-	
Exchange rate adjustments (net)	35.16		(218.07)	
Interest	639.06		544.26	
Operating profit before working capital changes	1,549.17		1,037.42	
Adjustments for -				
Trade and other receivables	(400.93)		(1,171.26)	
Inventories	(552.53)		(713.04)	
Trade and other payables	(398.48)		1,310.66	
Cash generated from operations	(1,351.94)		(573.65)	
Direct taxes paid (including dividend tax)	(822.06)	(624.83)	(593.47)	(129.69)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,795.86</b>		<b>1,558.73</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of property, plant & equipment		(1,836.43)		(1,951.60)
Purchase of equity shares in subsidiary		-		(143.89)
Sale of property, plant & equipment		7.42		3.50
Interest received		106.78		93.73
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,722.23)</b>		<b>(1,998.26)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from loans borrowed (net)		372.26		857.90
Money received against share warrants		206.25		-
Dividend paid		(259.45)		(259.08)
Interest paid		(745.84)		(637.99)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(426.78)</b>		<b>(39.17)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>(353.15)</b>		<b>(478.71)</b>
Cash and cash equivalents as at beginning of the year		1,704.77		2,183.48
Cash and cash equivalents as at end of the year		1,351.62		1,704.77

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer  
Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
Company Secretary



# [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

## COMPANY INFORMATION

**Acrysil Limited** ("the Company") is a public limited company domiciled in India and incorporated on 19th January, 1987 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 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).

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31st March, 2019.

The Group is engaged in manufacturing and trading of various types of kitchen sinks, bath products, tiles, kitchen appliances and accessories.

The consolidated financial statements ('the financial statements') were authorized for issue in accordance with the resolution of the Board of Directors of the Company on 22nd May, 2019.

## 1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of preparation and measurement:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. The Group considers 12 months as normal operating cycle.

The Group's financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

### 1.2 Application of New Accounting Pronouncements

The Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

- a. The Group has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April, 2018.
- b. The Group has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1st April, 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1st April, 2018 and on the Statement of Profit and Loss for the year ended 31st March, 2019.
- c. The Group has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration with effect from 1st April, 2018 retrospectively to all assets, expenses and income initially recognised on or after 1st April, 2018 and the impact on implementation of Appendix is immaterial.

### 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.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

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

	Entity	Proportion of Ownership Interest as at 31st March 2019
1	Acrysil Steel Limited	84.99%
2	Sternhagen Bath Pvt. Ltd.	84.90%
3	Acrysil Appliances Limited	100.00%
4	Acrysil GmbH, Köln – Germany	100.00%
5	Acrysil UK Limited – United Kingdom	100.00%
6	Home Style Products Limited – UK (a step-down subsidiary)	98.75%

The consolidated financial statements have been prepared on the following basis:

### Subsidiaries

- a) A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.
- b) The Company combines the financial statements of the parent and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.
- c) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

### 1.3 Significant accounting policies:

#### a. System of accounting

The Group follows mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

#### b. Key accounting estimates

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

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the 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.

#### 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.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

- (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 1st April 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. 1st April 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 capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

### d. Goodwill

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

assumed, measured in accordance with Ind AS -103 Business Combination.

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

### e. Investments and financial assets

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

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

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

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

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

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather,

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

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 shortterm deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

### **h. Trade receivables**

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

### **i. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

### **j. Financial liabilities**

- (i) Financial liabilities are recognised when the entity

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

- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### **k. Trade payables**

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

### **l. Revenue recognition**

- (i) Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the 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.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

- (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. Excise Duty, Custom Duty and GST:**

Excise duty (as applicable till 30th June 2017) in respect of goods manufactured by the Group is accounted for at the time of removal of goods from factory for sale.

Purchased of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

### **n. Foreign currency transactions**

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

### **o. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

### **p. Leases**

A lease is classified at the inception date as a finance lease or an operating lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Group has identified all its leases as operating leases.

#### **Assets taken on operating lease**

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### **q. Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

### r. Impairment of non financial assets

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

### s. Taxation

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

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

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

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

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

### t. Provisions and contingent liabilities

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

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

### u. Earnings Per Share

- (i) (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.



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

- (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.

### y. Changes in Accounting Standards and recent accounting pronouncements

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Group is currently evaluating the implications of Ind AS 116 on the Financial Statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

Ind AS 12 Income Tax  
Ind AS 23 Borrowing Cost  
Ind AS 103 Business Combinations  
Ind AS 111 Joint Arrangements  
Ind AS 109 Financial Instruments  
Ind AS 19 Employee Benefits

The Group is in the process of evaluating the impact of such amendments.



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 2

#### Property, plant and equipment

(₹ in lakhs)

Particulars	Land	Buildings	Plant & Equipment	Mould and Dies	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>								
<b>As at 1st April, 2017</b>	<b>2,746.16</b>	<b>1,794.25</b>	<b>1,838.76</b>	<b>4,041.91</b>	<b>359.27</b>	<b>628.71</b>	<b>340.07</b>	<b>11,749.14</b>
Additions	340.87	151.98	387.50	936.34	34.47	100.72	15.45	1,967.34
Disposals	-	-	(5.81)	-	-	-	-	(5.81)
<b>As at 31st March, 2018</b>	<b>3,087.03</b>	<b>1,946.24</b>	<b>2,220.46</b>	<b>4,978.25</b>	<b>393.74</b>	<b>729.43</b>	<b>355.52</b>	<b>13,710.67</b>
Additions	-	309.59	390.19	696.29	29.38	10.31	115.56	1,551.31
Disposals	-	-	(4.35)	-	-	-	(13.17)	(17.52)
<b>As at 31st March, 2019</b>	<b>3,087.03</b>	<b>2,255.83</b>	<b>2,606.30</b>	<b>5,674.55</b>	<b>423.12</b>	<b>739.74</b>	<b>457.91</b>	<b>15,244.46</b>
<b>Accumulated depreciation</b>								
<b>As on 1st April, 2017</b>	<b>-</b>	<b>288.61</b>	<b>1,009.03</b>	<b>2,238.46</b>	<b>272.62</b>	<b>229.48</b>	<b>244.60</b>	<b>4,282.82</b>
Depreciation charged	-	59.03	147.94	315.61	62.71	98.90	28.42	712.62
Disposals	-	-	(5.52)	-	-	-	-	(5.52)
<b>As at 31st March, 2018</b>	<b>-</b>	<b>347.65</b>	<b>1,151.45</b>	<b>2,554.08</b>	<b>335.33</b>	<b>328.39</b>	<b>273.03</b>	<b>4,989.92</b>
Depreciation charged	-	63.90	197.21	378.54	46.03	102.65	61.49	849.83
Disposals	-	-	-	-	-	-	(10.99)	(10.99)
<b>As at 31st March, 2019</b>	<b>-</b>	<b>411.55</b>	<b>1,348.66</b>	<b>2,932.62</b>	<b>381.37</b>	<b>431.04</b>	<b>323.53</b>	<b>5,828.76</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2017</b>	<b>3,087.03</b>	<b>1,598.59</b>	<b>1,069.01</b>	<b>2,424.17</b>	<b>58.41</b>	<b>401.05</b>	<b>82.49</b>	<b>8,720.75</b>
<b>As at 31st March, 2019</b>	<b>3,087.03</b>	<b>1,844.28</b>	<b>1,257.65</b>	<b>2,741.92</b>	<b>41.75</b>	<b>308.70</b>	<b>134.37</b>	<b>9,415.70</b>
<b>Capital Work in Progress</b>								
<b>As at 31st March, 2017</b>	<b>-</b>	<b>43.00</b>	<b>54.19</b>	<b>114.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>212.17</b>
<b>As at 31st March, 2019</b>	<b>-</b>	<b>48.94</b>	<b>79.67</b>	<b>221.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350.41</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 3 Intangible assets

(₹ in lakhs)

Particulars	Design & Property Rights	Computer Software	Total
<b>Gross carrying value (at deemed cost)</b>			
As at 1st April, 2017	18.22	94.28	112.50
Additions	-	-	-
As at 31st March, 2018	18.22	94.28	112.50
Additions	146.87	-	146.87
Disposals	-	-	-
As at 31st March, 2019	165.09	94.28	259.37
<b>Accumulated depreciation</b>			
As on 1st April, 2017	5.47	56.21	61.68
Depreciation charged	1.82	-	1.82
Disposals	-	-	-
As at 31st March, 2018	7.29	56.21	63.50
Depreciation charged	14.08	-	14.08
Disposals	-	-	-
As at 31st March, 2019	21.37	56.21	77.58
<b>Net carrying value</b>			
As at 31st March, 2018	10.93	38.07	49.00
As at 31st March, 2019	143.72	38.07	181.79

### Note 4 Loans

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>				
Employee loans	-	-	7.30	7.64
Other loans	-	-	-	-
<b>Total loans</b>	-	-	7.30	7.64

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 5

#### Other financial assets

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Security deposits	167.75	147.62	0.18	0.18
<b>Total other financial assets</b>	<b>167.75</b>	<b>147.62</b>	<b>0.18</b>	<b>0.18</b>

### Note 6

#### Other assets

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Trade advances to suppliers	-	-	608.68	366.22
Less: Provision for doubtful advances	-	-	-	-
			<b>608.68</b>	<b>366.22</b>
Capital advances	202.91	268.11	-	-
Advances to staff	-	-	44.68	38.50
Prepaid expenses	-	-	29.36	26.98
Claims receivables	-	-	919.14	1,038.05
Input credit receivables	-	-	1,010.31	1,374.13
Gratuity fund	-	-	18.81	-
Other advances	-	-	34.30	2.63
<b>Total other assets</b>	<b>202.91</b>	<b>268.11</b>	<b>2,665.28</b>	<b>2,846.51</b>
Trade advances include:				
- To companies or firms in which some of the directors are interested	-	-	11.29	4.80

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 7 Inventories

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Stores & spares	67.81	58.45
Stock-in-trade	1,774.84	1,600.93
Raw materials	411.07	330.41
Finished goods	1,363.53	881.92
Semi finished goods	1,293.32	1,496.66
Bought out items	333.99	307.53
Packing materials	125.19	141.33
<b>Total inventories</b>	<b>5,369.76</b>	<b>4,817.23</b>

### Note 8 Trade Receivables

(Unsecured, considered good unless otherwise stated)

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Trade receivables	6,105.38	5,408.91
Less: Provision for doubtful debts	(673.25)	(594.36)
<b>Total trade receivables</b>	<b>5,432.12</b>	<b>4,814.55</b>

### Note 9 Cash and cash equivalents

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Balances with banks	468.58	249.25
Short term deposits*	837.16	1,409.36
Cash on hand	45.89	46.16
<b>Total cash and cash equivalents</b>	<b>1,351.62</b>	<b>1,704.77</b>

\* includes ₹ 230.14 lakhs (₹ 871.09 lakhs) balances with banks under lien with banks against various credit facilities

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 10

#### Other bank balances

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
Dividend accounts	47.12	40.11
Other term deposits	-	-
<b>Total other bank balances</b>	<b>47.12</b>	<b>40.11</b>

### Note 11

#### Equity share capital

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Authorised</b>		
4,00,00,000( 80,00,000) equity shares of ₹ 2 (previous year ₹ 10) each	800.00	800.00
	<b>800.00</b>	<b>800.00</b>
<b>Issued, Subscribed and Paid up</b>		
2,59,44,880 (51,88,976) equity shares of ₹ 2 ( previous year: ₹ 10 ) each	518.90	518.90
<b>Total equity share capital</b>	<b>518.90</b>	<b>518.90</b>

Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: 74,30,000

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

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	Nos.	% of holding	Nos.	% of holding
Chirag Parekh	83,04,730	32.01	83,04,730	32.01
Schock GmbH	22,62,000	8.72	22,62,000	8.72

#### Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a face value of ₹ 10 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

Note: Number of shares ₹ 10 each in Previous year are restated upon sub-division of shares into ₹ 2 each during the year.

# [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

## Note 12 Other equity

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Capital reserve</b>		
Balance at the beginning of the year	25.20	25.20
Add: transferred from retained earnings	-	-
Balance at the end of the year	25.20	25.20
<b>General Reserve</b>		
Balance at the beginning of the year	3,599.60	3,399.60
Add: transferred from retained earnings	300.00	200.00
Balance at the end of the year	3,899.60	3,599.60
<b>Securities Premium Account</b>		
Balance at the beginning of the year	3,225.29	3,225.29
Add: Addition during the year	-	-
Balance at the end of the year	3,225.29	3,225.29
<b>Retained earnings</b>		
Balance at the beginning of the year	4,395.96	3,713.15
Profit for the year	1,724.67	1,195.08
Appropriations		
Transfer to general reserve	(300.00)	(200.00)
Dividend	(259.45)	(259.45)
Dividend distribution tax	(53.33)	(52.82)
Balance at the end of the year	5,507.86	4,395.96
<b>Other components of equity</b>		
Remeasurement of defined benefit plans (net of tax)	9.72	2.23
Exchange differences on foreign currency translation of foreign operations	97.52	62.64
	<b>107.24</b>	<b>64.86</b>
<b>Total other equity</b>	<b>12,765.18</b>	<b>11,310.91</b>

**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 derecognized.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 13 Borrowings

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
<b>Secured</b>				
Term loans from banks	1,656.50	1,862.08	-	-
Working capital finance from banks	-	-	6,809.71	6,241.87
	1,656.50	1,862.08	6,809.71	6,241.87
<b>Unsecured</b>				
Term loans from related parties	-	-	10.00	-
	-	-	10.00	-
<b>Total borrowings</b>	<b>1,656.50</b>	<b>1,862.08</b>	<b>6,819.71</b>	<b>6,241.87</b>

### Note 14 Other financial liabilities

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Current maturities of long-term debt	-	-	1,210.71	1,058.45
Unclaimed dividend	-	-	47.12	40.11
Deposits from Distributors and others	-	-	41.70	42.28
<b>Total other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,299.53</b>	<b>1,140.84</b>

### Note 15 Provisions

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Provision for leave encashment	41.70	41.56	9.81	8.11
Provision for income tax (refer note no. 15.1)	-	-	165.21	279.72
Provision for bonus	-	-	24.63	31.04
<b>Total provisions</b>	<b>41.70</b>	<b>41.56</b>	<b>199.65</b>	<b>318.87</b>



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 15.1

#### Income tax assets (net)

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Income tax assets (net)</b>		
The following table provides the details of income tax assets and liabilities :		
Income tax assets	1,580.15	920.32
Current income tax liabilities	1,745.36	1,200.05
<b>Net liabilities</b>	<b>165.21</b>	<b>279.72</b>
<b>The gross movement in the current tax asset / (liability)</b>		
Net current income tax liabilities at the beginning	279.72	464.80
Income tax paid (net of refunds)	(768.73)	(540.65)
Current income tax expense	654.22	355.57
Income tax on other comprehensive income	-	-
Net current income tax asset at the end	165.21	279.72

### Note 16

#### Deferred tax liabilities

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Deferred tax liabilities / (assets)</b>		
On account of timing differences in		
Depreciation on property, plant & equipment	460.47	458.55
Provision for doubtful debts	(196.50)	(196.52)
Other Disallowances under tax laws	(15.18)	(34.53)
	248.79	227.50

### Note 17

#### Other liabilities

(₹ in lakhs)

Particulars	Non-current		Current	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Advances from customers	-	-	190.56	144.60
Statutory liabilities	-	-	48.95	69.21
Other liabilities	-	-	265.19	178.81
Total other liabilities	-	-	504.70	392.62

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 18 Trade payables

(₹ in lakhs)

Particulars	Current	
	31st March 2019	31st March 2018
<b>Trade payables</b>		
Total outstanding dues of Micro and Small Enterprises (refer note no. 34)	789.07	387.60
Total outstanding dues of creditors other than Micro and Small Enterprises	2,334.41	3,401.87
<b>Total trade payables</b>	<b>3,123.48</b>	<b>3,789.47</b>

### Note 19 Revenue from operations

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Sale of Products</b>		
Export sales	16,786.73	13,301.84
Domestic sales (net of excise duty)	7,377.95	5,798.65
	<b>24,164.68</b>	<b>19,100.49</b>
<b>Other Operating Revenue</b>		
Export incentives & credits	894.26	456.94
Other operational income	100.93	89.27
<b>Total revenue from operations</b>	<b>25,159.87</b>	<b>19,646.70</b>

### Note 20 Other income

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Interest receipts	106.78	93.73
Gain on foreign currency fluctuation	74.01	332.68
Insurance claim receipts	18.97	13.48
Profit on sale of property, plant & equipments (net)	0.89	3.21
Miscellaneous income	12.71	18.06
<b>Total other income</b>	<b>213.36</b>	<b>461.16</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 21

#### Cost of materials consumed

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Raw materials consumed</b>		
Opening stock	330.41	411.36
Add: Purchases	6,660.75	5,005.49
	6,991.16	5,416.84
Less: Closing stock	(411.07)	(330.41)
	6,580.09	5,086.44
Bought out items	1,410.71	1,137.23
<b>Total cost of material consumed</b>	<b>7,990.80</b>	<b>6,223.67</b>

### Note 22

#### Changes in inventories

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Closing Stock</b>		
Finished goods	1,363.53	881.92
Stock-in-trade	1,774.84	1,600.93
Semi finished goods	1,293.32	1,496.66
	<b>4,431.69</b>	<b>3,979.51</b>
<b>Opening Stock</b>		
Finished goods	881.92	847.58
Stock-in-trade	1,600.93	1,208.88
Semi finished goods	1,496.66	1,092.76
	<b>3,979.51</b>	<b>3,149.22</b>
<b>Changes in inventories</b>	<b>(452.18)</b>	<b>(830.29)</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 23

#### Employee benefit expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Salaries, wages, bonus and allowances	1,425.03	1,302.37
Directors' remuneration	263.14	276.87
Contribution to provident fund and other welfare funds	95.65	68.06
Staff welfare expenses	67.83	65.33
<b>Total employee benefit expenses</b>	<b>1,851.65</b>	<b>1,712.63</b>

### Note 24

#### Finance costs

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Interest</b>		
Banks	710.68	604.39
Income tax	10.00	13.00
Others	25.16	20.60
	<b>745.84</b>	<b>637.99</b>
Other borrowing costs	37.57	48.72
Foreign currency fluctuation loss/(gain) on loans	189.44	(59.89)
<b>Total finance costs</b>	<b>972.85</b>	<b>626.82</b>

### Note 25

#### Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Depreciation on tangible assets	849.83	712.62
Depreciation on intangible assets	14.08	1.82
<b>Total depreciation and amortisation</b>	<b>863.91</b>	<b>714.44</b>

# [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

## Note 26

### Other expenses

(₹ in lakhs)

Particulars	2018-2019	2017-2018
<b>Manufacturing Expenses</b>		
Power & fuel	583.00	463.21
Machinery repairs and maintenance	63.48	58.70
Packing materials and expenses	1,973.52	1,705.29
Stores and spares	355.20	308.42
Other expenses	776.29	707.17
	<b>3,751.49</b>	<b>3,242.79</b>
<b>Selling and Distribution Expenses</b>		
Sales commission	90.78	41.02
Advertisement and business promotion	679.51	686.82
Export freight and insurance	1,161.25	966.12
Other selling expenses	486.14	367.30
	<b>2,417.68</b>	<b>2,061.26</b>
<b>Administrative and Other Expenses</b>		
Rent	337.93	266.32
Rates & taxes	3.94	7.44
Travelling expenses	521.67	503.55
Postage and telephone expenses	104.76	89.82
Printing & stationery expenses	47.97	44.31
Insurance premiums	61.99	45.68
Building and other repairs	118.98	85.45
Bank discount, commission and other charges	194.46	131.03
Legal and professional fees	240.15	263.67
Payment to auditors	62.77	51.20
Directors sitting fees	9.90	7.90
Corporate social responsibility expenses	18.45	26.23
Donations	8.62	1.05
Bad debts and provision for doubtful advances	89.03	11.30
General expenses	320.27	265.62
	<b>2,140.89</b>	<b>1,800.57</b>
<b>Total other expenses</b>	<b>8,310.06</b>	<b>7,104.62</b>
<b>Expenditure towards Corporate Social Responsibility (CSR) activities</b>		
Gross amount required to be spent during the year	22.63	24.89
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	18.45	26.23
	<b>18.45</b>	<b>26.23</b>
<b>Payments to auditors *</b>		
Audit fees	56.86	46.27
Tax audit fees	2.95	1.75
Other services	2.96	3.18
* includes payments to erstwhile auditors	62.77	51.20

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 27

#### Earning per share

Particulars	2018-2019	2017-2018
Profit for the year (₹ in lakhs)	1,724.67	1,195.08
Weighted average number of shares (Nos)	2,59,65,497	2,59,65,497
Earnings per share (Basic and Diluted) ₹	6.64	4.60
Face value per share ₹	10.00	10.00

Note: Number of shares of ₹ 10 each in Previous year are restated upon sub-division of shares into ₹ 2 each during the year. (Refer note 37)

### Note 28

#### Fair value measurement

##### Financial instruments by category

(₹ in lakhs)

Particulars	31st March 2019			31st March 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	-	-	-	-	-
Trade receivables	-	-	5,432.13	-	-	4,814.55
Loans	-	-	7.30	-	-	7.64
Other financial assets	-	-	167.75	-	-	147.62
Cash and cash equivalents	-	-	1,351.62	-	-	1,704.77
Other bank balances	-	-	47.12	-	-	40.11
<b>Total financial assets</b>	-	-	<b>7,005.92</b>	-	-	<b>6,714.68</b>
<b>Liabilities</b>						
Borrowings	-	-	8,476.21	-	-	8,103.95
Trade payables	-	-	3,123.48	-	-	3,789.47
Other financial liabilities	-	-	1,299.53	-	-	1,140.84
<b>Total financial liabilities</b>	-	-	<b>12,899.21</b>	-	-	<b>13,034.26</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 29 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.

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.



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Contractual maturities of significant financial liabilities are as follows:

(₹ in lakhs)

Particulars	Less than or equal to	more than	Total
	one year	one year	
<b>As on 31st March 2019</b>			
Borrowings	6,819.71	1,656.50	8,476.21
Trade payables	3,123.48	-	3,123.48
Other financial liabilities	1,299.53	-	1,299.53
<b>As on 31st March 2018</b>			
Borrowings	6,241.87	1,862.08	8,103.95
Trade payables	3,789.47	-	3,789.47
Other financial liabilities	1,140.84	-	1,140.84

### 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:

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

(₹ in lakhs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2019	+100	84.76
	-100	(84.76)
March 31, 2018	+100	81.04
	-100	(81.04)

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

### d) Exposure in foreign currency - Unhedged

Currency	31st March 2019	31st March 2018
<b>Receivables</b>		
USD	21.22	25.54
EURO	14.97	11.12
GBP	9.74	4.10
<b>Payables</b>		
USD	3.28	46.31
EURO	2.38	11.63
GBP	-	2.58

### 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, 2019	USD	+5%	62.07
	USD	-5%	(62.07)
March 31, 2018	USD	+5%	(67.71)
	USD	-5%	67.71
March 31, 2019	GBP	+5%	44.06
	GBP	-5%	(44.06)
March 31, 2018	GBP	+5%	6.96
	GBP	-5%	(6.96)
March 31, 2019	EURO	+5%	48.91
	EURO	-5%	(48.91)
March 31, 2018	EURO	+5%	(2.03)
	EURO	-5%	2.03

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 30

#### Capital management

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(₹ in lakhs)

Particulars	As at	
	31st March 2019	31st March 2018
Total debts	9,686.91	9,162.41
Total equity	13,284.08	11,829.81
Total debts to equity ratio	0.73	0.77

#### Dividends

(₹ in lakhs)

Dividends recognised in the financial statements	31st March 2019	31st March 2018
Final dividend for the year ended 31st March 2017 of ₹ 5 per equity share	-	259.45
Final dividend for the year ended 31st March 2018 of ₹ 5 per equity share	259.45	-
<b>Dividends not recognised in the financial statements</b>		
Directors have recommended the payment of final dividend of ₹ 1.2 per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	311.34	-

### Note 31

#### Contingent Liabilities

(₹ in lakhs)

No.	Particulars	31st March 2019	31st March 2018
1	In respect of disputed excise duty	-	1.10
2	In respect of custom duty	41.54	41.54

# [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

## Note 32 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. Where ever the Group creates plan assets, it makes contributions to approved gratuity fund.

### Funded Scheme - Gratuity

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Amount recognised in balance sheet</b>		
Present value of funded defined benefit obligation	105.70	118.81
Fair value of plan assets	132.80	114.68
<b>Net unfunded obligation</b>	<b>(27.10)</b>	<b>4.13</b>
<b>Expense recognised in the statement of profit and loss</b>		
Current service cost	13.94	11.45
Interest on net defined benefit asset	0.32	(0.06)
<b>Total expense charged to profit and loss Account</b>	<b>14.26</b>	<b>11.39</b>
<b>Amount recorded as other comprehensive income</b>		
Opening amount recognised in OCI outside profit & loss Account	(3.40)	(13.67)
Remeasurements during the period due to:		
Return on plan assets	(9.56)	9.40
Actual (gain)/loss on obligation for the period	0.21	0.88
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(12.75)</b>	<b>(3.40)</b>
<b>Reconciliation of net liability/(asset)</b>		
Opening net defined benefit liability/(asset)	4.13	(0.86)
Expense charged to profit and loss account	14.26	11.39
Amount recognised outside profit and loss account	(9.35)	10.28
Benefits paid	(17.62)	-
Employer contributions	(18.52)	(16.68)
<b>Closing net defined benefit liability/(asset)</b>	<b>(27.10)</b>	<b>4.13</b>
<b>Movement in benefit obligation</b>		
Opening of defined benefit obligation	118.81	94.25
Current service cost	13.94	11.45
Interest on defined benefit obligation	9.30	6.79
Actuarial loss/(gain) arising from change in financial assumptions	0.45	(7.27)
Benefits directly paid by the employer	(9.17)	-
Benefits paid	(17.62)	(3.09)
Actuarial loss/(gain) on obligation -Due to Experience	(10.01)	16.67
<b>Closing of defined benefit obligation</b>	<b>105.70</b>	<b>118.81</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Particulars	31st March 2019	31st March 2018
<b>Movement in plan assets</b>		
Opening fair value of plan assets	114.67	95.11
Actual return on plan assets excluding interest on plan assets	(0.21)	(0.88)
Interest income	8.98	6.85
Contributions by employer	18.52	16.68
Benefits paid	(9.17)	(3.09)
<b>Closing of defined benefit obligation</b>	<b>132.79</b>	<b>114.67</b>
<b>Principal actuarial assumptions</b>		
Discount Rate	7.79	7.73
Salary escalation rate p.a.	7.79	7.73
Future salary increase	7.00	5.00
Rate of employee turnover	2.00	4.00

Sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs)

No.	Particulars	Sensitivity level	31st March 2019	31st March 2018
1	Discount Rate	1% Increase	(10.48)	(10.21)
		1% Decrease	12.14	11.88
2	Salary	1% Increase	12.12	11.86
		1% Decrease	(10.64)	(10.38)
3	Employee Turnover	1% Increase	0.34	0.43
		1% Decrease	(0.43)	(0.52)

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

(₹ in lakhs)

No.	Particulars	31st March 2019	31st March 2018
1	Within the next 12 months (next annual reporting period)	6.48	7.30
2	Between 2 and 5 years	33.37	28.90
3	Beyond 5 years	262.87	263.01

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Unfunded Scheme - Gratuity

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
<b>Amount recognised in balance sheet</b>		
Present value of funded defined benefit obligation	8.29	7.51
Fair value of plan assets	-	-
<b>Net unfunded obligation</b>	<b>8.29</b>	<b>7.51</b>
<b>Expense recognised in the statement of profit and loss</b>		
Current service cost	1.51	1.50
Interest on net defined benefit asset	0.59	0.49
<b>Total expense charged to profit and loss Account</b>	<b>2.10</b>	<b>1.99</b>
<b>Amount recorded as other comprehensive income</b>		
Opening amount recognised in OCI outside profit & loss Account	0.15	(0.03)
Remeasurements during the period due to:		
Return on plan assets	-	-
Actual (gain)/loss on obligation for the period	(1.17)	0.18
<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(1.02)</b>	<b>0.15</b>
<b>Reconciliation of net liability/(asset)</b>		
Opening net defined benefit liability/(asset)	7.51	6.55
Expense charged to profit and loss account	2.10	1.99
Amount recognised outside profit and loss account	(1.17)	0.18
Employer contributions	(0.15)	(1.21)
<b>Closing net defined benefit liability/(asset)</b>	<b>8.29</b>	<b>7.51</b>
<b>Movement in benefit obligation</b>		
Opening of defined benefit obligation	7.51	6.55
Current service cost	1.51	1.50
Interest on defined benefit obligation	0.59	0.49
Actuarial loss/(gain) arising from change in financial assumptions	0.08	(0.38)
Benefits paid	(0.15)	(1.21)
Actuarial loss/(gain) on obligation -Due to Experience	(1.25)	0.57
<b>Closing of defined benefit obligation</b>	<b>8.29</b>	<b>7.51</b>
<b>Principal actuarial assumptions</b>		
Discount Rate	7.79	7.86
Salary escalation rate p.a.	7.00	7.00
Future salary increase	7.00	7.00
Rate of employee turnover	2.00	2.00

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs)

No.	Particulars	Sensitivity level	31st March 2019	31st March 2018
1	Discount Rate	1% Increase	(1.01)	(0.97)
		1% Decrease	1.23	1.18
2	Salary	1% Increase	1.23	1.18
		1% Decrease	(1.03)	(0.98)
3	Employee Turnover	1% Increase	0.06	0.06
		1% Decrease	(0.07)	(0.08)

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

(₹ in lakhs)

No.	Particulars	31st March 2019	31st March 2018
1	Within the next 12 months (next annual reporting period)	0.58	0.15
2	Between 2 and 5 years	0.83	1.16
3	Beyond 5 years	29.75	28.85

### Note 33

Disclosure as required by the Ind AS 17, "Leases" as specified in the companies (Accounting Standard) rules 2015 (as amended) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit & Loss as Rent in Note 26.
- The Company has taken properties on operating lease. The lease rentals are payable by the Company on a monthly or quarterly basis.

### Note 34

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in lakhs)

No.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)	789.07	-
2	Principal amount due to micro and small enterprise	-	-
3	Interest due on above	-	-



## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 35

**As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are given below:**

Sr No.	Particulars	Country of incorporation
	<b>(i) Associates</b>	
1	Acrycol Minerals Limited	India
2	Meccanica Plast Private Limited	India
3	C P Sports Venture Private Limited	India
4	Ashwanilla Charitable Trust	India
	<b>(ii) Key Managerial Personnel</b>	
5	Mr. Ashwin M Parekh	
6	Mr. Chirag A Parekh	
7	Mrs. Shetal C Parekh	
8	Dr. Sonal V Ambani	
9	Mr. Jagdish R Naik	
10	Mr. Ajit R Sanghavi	
11	Mr. Pradeep H Gohil	
12	Mr. M J Smyth	
12	Mr. Damodar H Sejjpal	
13	Mr. Anand H Sharma	
14	Mr. Kalpesh D Vekariya	

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

(₹ in lakhs)

Nature of transaction	Relationship	Year ended 31st March 2019	Year ended 31st March 2018
<b>Associates</b>			
1. Purchase of materials			
Acrycol Minerals Limited	Associates	1,307.51	1,041.17
2. Rent received			
Acrycol Minerals Limited	Associates	0.60	1.20
3. Corporate Social Responsibility			
Ashwanilla Charitable Trust	Associates	2.50	-
4. Donation			
Ashwanilla Charitable Trust	Associates	5.01	-
5. Sales promotion expenses			
C P sports Venture Private Limited	Associates	2.31	-
<b>Outstanding Balances:</b>			
1. Other current assets			
Acrycol Minerals Limited	Associate	0.20	1.20
Ashwanilla Charitable Trust	Associates	7.49	-
Meccanica Plast Private Limited	Associate	3.60	3.60
<b>Total...</b>		<b>11.29</b>	<b>4.80</b>
2. Trade Payables			
Acrycol Minerals Limited	Associate	-	11.09
3. Advances to suppliers			
C P sports Venture Private Limited	Associates	7.23	-
Acrycol Minerals Limited	Associates	25.29	-
<b>Total...</b>		<b>32.52</b>	<b>-</b>
<b>Key management personnel and relatives</b>			
1. Remuneration			
Mr. Chirag Parekh	Chairman & Managing Director	168.00	170.32
Mr. M J Smyth	Director	95.14	106.56
Mr. Damodar Sejpai	Company Secretary	13.65	13.82
Mr. Anand Sharma	Chief Financial Officer	34.82	31.99
Mr. Kalpesh D Vekariya	Company Secretary	3.23	2.84
<b>Total...</b>		<b>314.84</b>	<b>325.52</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

Nature of transaction	Relationship	Year ended 31st March 2019	Year ended 31st March 2018
2. Professional Fees			
Mr. Ashwin M Parekh	Chairman Emeritus	28.80	28.80
3. Loan repaid			
Mr. Chirag Parekh	Chairman & Managing Director	225.00	76.00
4. Loan taken			
Mr. Chirag Parekh	Chairman & Managing Director	235.00	1.00
5. Interest paid			
Mr. Chirag Parekh	Chairman & Managing Director	3.03	2.10
6. Sitting Fees			
Mr. Jagdish R Naik	Independent Director	2.30	1.85
Mr. Ajit R Sanghavi	Independent Director	2.30	2.15
Mr. Pradeep H Gohil	Independent Director	3.10	2.85
Dr. Sonal Ambani	Independent Director	2.20	1.05
<b>Total...</b>		<b>9.90</b>	<b>7.90</b>
<b>Outstanding Balances:</b>			
1. Non current borrowings			
Mr. Chirag Parekh	Chairman & Managing Director	10.00	-
2. Other current liabilities			
Mr. Anand Sharma	Chief Financial Officer	3.55	-
Mr. Kalpesh D Vekariya	Company Secretary	0.05	0.04
<b>Total...</b>		<b>3.60</b>	<b>0.04</b>

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

### Note 36

#### 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	₹ in lakhs	As a % of consolidated profit or loss	₹ in lakhs	As a % of consolidated other comprehensive income	₹ in lakhs	As a % of consolidated total comprehensive income	₹ in lakhs
<b>1. Parent</b>								
Acrysil Limited	87.20	11,583.82	68.33	1,178.40	15.65	6.63	67.06	1,185.03
<b>2. Subsidiaries</b>								
Acrysil Steel Limited	10.95	1,454.30	5.41	93.39	(2.03)	0.86	5.33	94.25
Acrysil Appliances Limited	0.72	95.76	0.46	7.99	-	-	0.45	7.99
Sternhagen Bath Private Limited	0.03	3.71	(0.05)	(0.91)	-	-	(0.05)	(0.91)
Acrysil UK Limited	(1.42)	(189.30)	(47.39)	(817.30)	-	-	(46.25)	(817.30)
Acrysil Gmbh	(1.67)	(222.09)	(2.99)	(51.65)	-	-	(2.92)	(51.65)
Home Style Products Limited	25.04	3,326.87	44.20	762.37	-	-	43.14	762.37
Add/(Less): Inter-company adjustments	(20.84)	(2,768.98)	4.16	552.39	82.33	34.89	33.23	587.27
<b>Total...</b>	<b>100.00</b>	<b>13,284.08</b>	<b>100.00</b>	<b>1,724.67</b>	<b>100.00</b>	<b>42.38</b>	<b>100.00</b>	<b>1,767.05</b>

- 37** The shareholders of the Company at their Extra-Ordinary General Meeting held on 21st December, 2018 has approved sub-division of each equity shares of the Company having face value of ₹ 10 each in to 5 equity shares having face value of ₹ 2 each fully paid up. Post requisite compliance, the Company has credited/issued certificate for 2,59,44,880 equity shares of ₹ 2 each in lieu of 51,88,976 equity shares of ₹ 10 each. Accordingly, as per requirement of Ind AS 33 – Earning Per Share, the Earning Per Share (EPS) of the current periods/year and previous/year have been restated.
- 38** Pursuant to the approval of the members in the Extra-Ordinary General Meeting held on 9th May, 2018, 150,000 warrants have been issued to the promoter group on the 11th May, 2018 at 550 per warrant to be converted into 5 equity shares having face value of ₹ 2 for each warrant within 18 months from the date of issue of the warrants.
- 39** Balances for trade receivables, trade payables and loans and advances are subject to confirmations from the respective parties.

## [NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019]

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**40** All the amounts are stated in ₹ in lakhs, unless otherwise stated.

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

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### Signatures to Notes 1 to 41

As per our report of even date

**For P A R K & COMPANY**  
Chartered Accountants

**ASHISH DAVE**  
Partner

Mumbai  
May 22, 2019

For and on behalf of the Board of Directors

**CHIRAG PAREKH**  
Chairman & Managing Director

**ANAND SHARMA**  
Chief Financial Officer

Mumbai  
May 22, 2019

**J R NAIK**  
Director

**DAMODAR SEJPAL**  
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				
1	Name of the subsidiary	Acrysil Steel Ltd.	Sternhagen Bath Pvt. Ltd.	Acrysil GmbH, Germany	Acrysil Appliances Ltd.	Acrysil UK Limited (Group)
2	Reporting period for subsidiary concerned, if different from the holding company's reporting period	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
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	913.31	(6.29)	(393.57)	(4.24)	1492.30
6	Total assets	2595.32	5.21	127.51	103.78	4855.82
7	Total Liabilities	2595.32	5.21	127.51	103.78	4855.82
8	Investments	-	-	-	-	-
9	Turnover	2146.72	-	356.04	-	5147.78
10	Profit before taxation	135.31	(0.91)	(51.65)	10.29	683.92
11	Provision for taxation	41.92	-	-	2.30	134.34
12	Profit after taxation	93.39	(0.91)	(51.65)	7.99	549.58
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, 2019	N.A.	N.A.	77.70	N.A.	90.48

### Part "B": Associates and Joint Venture

Statement Pursuant to section 129(3) of companies act, 2013 related to Associates and Joint Venture

<b>Name of the Associates / Joint Venture</b>	<b>NOT APPLICABLE</b>
<b>1. Latest audited Balance Sheet Date</b>	
<b>2. Shares of Associates / Joint Ventures held by the Company on the year end</b>	
No.	
Amount of Investment in Associates / Joint Venture	
Extend of Holding %	
<b>3. Description of how there is significant influence</b>	
<b>4. Reason why the Associates / joint venture is not consolidated</b>	
<b>5. Net worth attributable to shareholding as per latest audited Balance Sheet</b>	
<b>6. Profit/Loss for the year</b>	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

For and on behalf of the Board of Directors

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

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

**DAMODAR SEJPAL**  
Company Secretary

**ANAND SHARMA**  
Chief Financial Officer

Date: August 2, 2019  
Place: Mumbai





## **ACRYSIL LIMITED**

**Registered Office:** B-307, Citi Point, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059.

**Tel:** (91-22) 4015 7817 / 7818 / 7819 **Fax:** (91-22) 2825 8052. **CIN:** L26914MH1987PLC042283

**Website:** www.acrysil.com / www.acrysilcorporateinfo.com **E-mail ID:** cs.al@acrysil.com

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## **ATTENDANCE SLIP**

**32st Annual General Meeting, September 13, 2019 at 3.30 p.m.**

Name of the Member: \_\_\_\_\_

Folio No./DP/ID NO: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

I certify that I am a registered shareholders/proxy of registered shareholder if the Company. I hereby record my presence at the 32nd Annual General Meeting of the Company on at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra-400020 on Friday, the September 13, 2019 at 03:30 P.M.

\_\_\_\_\_  
Proxy's Name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

### **NOTE:**

1. Shareholder / Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.
2. If signed by Proxy, his name Member's / Proxy's Signature should be written here in BLOCK letters.

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## PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014)

Name of member(s):			
Registered address:			
Email id:			
Folio No./ Client id:		DP ID:	

I/We being a member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

<b>1</b>	Name		
	Address		
	Email id:		Signature

Or failing him:

<b>2</b>	Name		
	Address		
	Email id:		Signature

Or failing him:

<b>3</b>	Name		
	Address		
	Email id:		Signature

As my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at 32nd Annual General Meeting of the Company to be held on Friday, the September 13, 2019 at 03:30 P.M. at Indian Merchant Chambers, IMC Road, Churchgate, Mumbai, Maharashtra- 400020 and at any adjournment thereof in respect of the following resolution:

No.	RESOLUTION	OPTIONAL	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1.	Adoption of :		
a)	the Audited Financial Statements of the Company for the financial year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and the Auditors' thereon; and		
b)	the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the Auditors' thereon.		
2.	Approval of final dividend of ₹ 1.20 (60%) per share on equity shares of fully paid up of the face value of Rs. 2/- each of the Company for the financial year ended March 31, 2019.		
3.	Appointment of Mr. Chirag A. Parekh (holding DIN: 00298807), who retires by rotation and being eligible, offers himself for re-appointment.		
	<b>SPECIAL BUSINESS</b>		
4.	Ratification of remuneration payable to Cost Auditors for the year 2019-20.		
5.	Re-appointment of Mr. Chirag A. Parekh as Chairman & Managing Director of the Company.		
6.	Re-appointment of Mr. Jagdish R. Naik (DIN:00030172) as an independent Director of the Company.		
7.	Re-appointment of Mr. Pradeep H. Gohil (DIN:03022804) as an independent Director of the Company.		
8.	Re-appointment of Mr. Ajit R. Sanghvi (DIN:00340809) as an independent Director of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of member (s) \_\_\_\_\_

Signature of proxy holder(s) \_\_\_\_\_

Please  
affix ₹ 1/-  
Revenue  
Stamp

**Notes:**

1. Affix revenue stamp of ₹ 1/-
2. his form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on poll instead of himself/herself. A proxy need not be a member.
4. Signature of member should be across a Revenue stamp of ₹ 1/-.
5. Please put a tick (✓) mark in the Box in the appropriate column against the respective resolutions. It is optional to indicate your preference. If you leave the "For" and "Against" columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
6. A shareholder need not use all his votes nor he need to cast all his votes in the same way. It may be noted that since all the shares in the issued and paid-up capital of the Company are fully paid and rank pari-passu in all respects, each share entitles the member for one vote.



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# Acrysil Limited

**Regd. Office:** B-307, Citi Point, J.B Nagar, Andheri - Kurla Road, Andheri (East), Mumbai - 400059 (INDIA)

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