

Administrative office :

306, 3rd floor, Iscon Mall, Above Star Bazar, Jodhpur Cross Road, Ahmedabad-380015 . (India)

Phone: +91-79-48002433 / +91-7948925585 Email:decomica_accounts@heritagesurfaces.com

Date: 06/09/2022

To,
The Corporate Relation Department (Listing)
BSE Limited
P.J. Towers
Dalal Street, Fort,
Mumbai – 400001

Dear Sir,

Subject: Submission of Annual report pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip Code: 531227

We wish to inform that the Thirty-Three (33rd) Annual General Meeting of Deco Mica Limited ("the Company") will be held on Thursday, 29th September, 2022 at 12:00 p.m. through Video Conferencing in accordance with the Ministry of Corporate Affairs ("MCA") Circular No.20/2020 dated May 05,2020 and Circular no. 02/2021 dated January 13,2021 read with Circular No.14/2020 and 17/2020 dated April 08,2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars" and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15 2021 (collectively referred to as "SEBI Circulars").

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report of the Company along with the Notice of the 33rd Annual General Meeting for the financial year 2021-22, which is also sent through electronic mode to those members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent/ Depositories.

The Annual Report is also available on the website of the Company <https://www.decomicaltd.com/> .


This is for your information and record.

Thanking You,

For, Deco Mica Ltd


Siddhi Shah

Company Secretary and Compliance Officer





DECO-MICA LIMITED

33rd

Annual Report

2021-2022

CONTENTS

SR. NO.	SUBJECT	PAGE NO.
1.	Corporate Information	1
2.	Notice	4
3.	Director's Report	12
4.	Management's Discussion and Analysis of Results of Operation and Financial Condition (Annexure- I)	19
5.	Form AOC- 2 (Annexure -II)	21
6.	Secretarial Audit Report (Annexure - III)	30
7.	Annual Secretarial Compliance Report (Annexure - IV)	34
8.	Disclosures pursuant to Sec.197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Annexure-V)	36
9.	Certification on Non- Disqualification of Directors	37
10.	Independent Auditor's Report	38
11.	Balance Sheet	47
12.	Statement of Profit and Loss	48
13.	Cash Flow Statement	49
14.	Statement of Changes in Equity	50
15.	Notes on Accounts	51

**ANNUAL REPORT
2021-2022
CORPORATE INFORMATION**

Board and Committees
THE BOARD OF DIRECTORS

1	Mr. Vijaybhai Dindayal Agarwal (DIN: 01869337)	Chairman and Managing Director
2	Mr. Vishal Vijaybhai Agarwal (DIN: 01763739)	Director
3	Mr. Vikas Vijaybhai Agarwal (DIN: 01763769)	Director
4	Mr. Harish Dhanjibhai Joshi (DIN: 01871634)	Independent Director
5	Mr. Gunjan Yogesh Pandya (DIN: 08493307)	Independent Director
6	Miss. Nupur Bipinchandra Modi (DIN: 08261303)	Independent Director

COMMITTEES OF THE BOARD
1. AUDIT COMMITTEE

Sr. No.	Member	Category of Director
1.	Mr. Vijaybhai Dindayal Agarwal	Chairman
2.	Mr. Harish Dhanjibhai Joshi	Member
3.	Mr. Gunjan Yogesh Pandya	Member
4.	Miss. Nupur Bipinchandra Modi	Member

2. NOMINATION AND REMUNERATION COMMITTEE

Sr. No.	Member	Category of Director
1.	Mr. Harish Dhanjibhai Joshi	Chairman
2.	Mr. Gunjan Yogesh Pandya	Member
3.	Miss. Nupur Bipinchandra Modi	Member

CHIEF FINANCIAL OFFICER	: Mr. Vishal V. Agarwal
COMPANY SECRETARY	: Miss Siddhi Shah
BANKERS	: HDFC Bank Limited
STATUTORY AUDITOR	: M/s Samir M. Shah & Associates Heaven8 , Western Park Society, Near Inductotherm Factory, Bopal, Ahmedabad - 380058
REGISTERED OFFICE	: 306, 3rd Floor, Iscon Mall, Star Bazaar Building, Jodhpur Cross Road, Satellite, Ahmedabad -380015
FACTORY & ADMINISTRATIVE OFFICE	: Plot No. 1195, Rajpur Village, Chatral Mehsana Highway, Kadi (Taluka), Mehsana - 382715
CIN	: L20299GJ1988PLC010807
WEBSITE	: www.decomicaltd.com
E-MAIL ID	: cs@heritagesurfaces.com
REGISTRAR AND SHARE TRANSFER AGENTS	: MCS Share Transfer Agent Limited 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Rd, Shreyas Colony, Ahmedabad, Gujarat 380009 Email Id: mcsstaahmd@gmail.com

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of The **DECO MICA LIMITED** (CIN: L20299GJ1988PLC010807) is scheduled to be held on the Thursday, 29th September, 2022 at 12:00 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

To consider and, if thought fit, to pass, the following resolutions as an **Ordinary Resolutions**:

Ordinary Resolutions

1. **To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March, 31, 2022**

"**RESLOVED THAT** audited Financial Statements of the Company for the financial year ended March 31, 2022 including Balance Sheet as on March, 31, 2022, Statements of Profit and Loss for the year ended and Cash Flow Statements for the year ended on that date along with Independent Auditor's Report thereon and Directors' Report of the Company be and are hereby received, considered, approved and adopted."

2. **To appoint a Director in place Mr. Vijaykumar D. Agarwal (DIN: 01869337) who retires by rotation and being eligible, offers himself for re-appointment.**

"**RESLOVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Vijaykumar D. Agarwal (DIN: 01869337), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

3. **To Consider and if thought fit to pass with or without modification the following resolution as an Ordinary resolution: -**

"**RESLOVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of Companies Act, 2013 and rules made thereunder, pursuant to the recommendation of Audit Committee and Board of Directors of the Company, the consent of the members be and is hereby accorded for appointment J.T.Shah & Company (FRN.: 109616W) Chartered Accountants, as the Statutory Auditors of the Company for a period of Five Years and they shall hold office from the conclusion of this Annual General Meeting until the conclusion of the Thirty- Eight Annual General Meeting at a remuneration as may be decided by the Board of Directors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

"**RESLOVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may consider necessary, proper or desirable or expedient to give effect to the above resolutions."

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://www.decomicaltd.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Wednesday, 21st September, 2022 at 9:00 A.M. and ends on Wednesday, 28th September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 14th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 14th September, 2022.

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

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





Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/

	<p>SecureWeb/IdeasDirectReg.jsp</p> <ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
	<p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

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

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dnmotwanicsp@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting

user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

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

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@heritagesurfaces.com. The same will be replied by the company suitably.

Date: 26/05/2022
Place: Ahmedabad

For and on behalf of Board of Directors

Vijaybhai D. Agarwal
Managing Director
DIN: 01869337

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**Item No. 3**

Appointment of Statutory Auditor and to fix their remuneration

The members are informed that pursuant to provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, Regulation 18 and Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provision (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, the existing auditor i.e. Samir M. Shah & Associates (FRN: 122377W) Chartered Accountants, as Statutory Auditor will retire at the conclusion of the forthcoming Annual General Meeting of the Company.

M/s J.T. Shah & Company, (FRN.: 109616W), Chartered Accountant are eligible and have given their consent for appointment for a term of five years and certificate to the effect that they satisfy the criteria as prescribed in Section 141 of the Companies Act, 2013.

Based on the recommendation of Audit Committee, the Board of Directors has approved the appointment of M/s J.T. Shah & Company, (FRN.: 109616W), Chartered Accountant, as Statutory auditors of the Company for a term of five years from the conclusion of the ensuing Annual General Meeting until the conclusion of the Thirty- Eight Annual General Meeting. The appointment/re-appointment is subject to approval by the shareholders of the Company.

The remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

Date: 26/05/2022
Place: Ahmedabad

For and on behalf of Board of Directors

Vijaybhai D. Agarwal
Managing Director
DIN: 01869337

ANNEXURE TO ITEMS NO. 2 OF THE NOTICE
Details of Director seeking appointment / Reappointment at the Forthcoming Annual General Meeting

[In pursuance of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015]

Particular	Mr. Vijaybhai D. Agarwal
DIN	01869337
Date of Birth	17/07/1954
Date of First Appointment	01/01/1997
Qualifications/ Experience	Graduate and with experience of more than 30 years in the industry.
List of Directorship/ Chairmanships of Committee of other Boards (Listed entities)	
1. Directorships in other Companies:	3
2. Chairmanships of the Committees' of other Boards	0
3. Memberships of the Committees of other Boards	0
4. Memberships of the committees of other Boards	0
No. of Shares	15,76,100
Relations between directors inter-se.	Family

Note:

The aforesaid detail contains the brief profiles of retiring Director in the conformity with the listing requirements.

Date: 26/05/2022
Place: Ahmedabad

For and on behalf of Board of Directors

Vijaybhai D. Agarwal
Managing Director
DIN: 01869337

DIRECTORS' REPORT

To,
The Members,
DECO MICA LIMITED
CIN: L20299GJ1988PLC010807

Your Directors are pleased to present the Thirty-Third (33rd) Annual Report on the business and operations of the company along with the Audited Financial Statements for the financial year ended 31st March, 2022 (FY 2021-2022)

FINANCIAL PERFORMANCE

A summary of the Company's Financial Performance for the financial year ended 31st March, 2022 compared to the previous financial year ended on 31st March, 2021 is given below:

(₹ in Lakhs)

Particular	Year ended 31st March 2022	Year ended 31st March 2021
Turnover	7213.38	5357.58
Profit/(Loss) before taxation	289.88	196.68
Less: Tax Expense		
a) Current Tax	92.00	64.00
b) Excess/Short Provisions of tax	1.24	5.52
c) Deferred tax expenses	(5.81)	(5.77)
d) Provision for wealth tax	---	---
Profit/(Loss) after tax	202.45	132.93
Less/Add: Appropriation		
a) Transferred to General Reserve	(0.64)	6.92
b) Proposed Dividend on Equity Shares	---	---
c) Tax on Dividend	---	---
Balance Profit of P.Y.	201.81	139.85

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, is annexed to this Board's Report as **Annexure - I**.

STATE OF COMPANY'S AFFAIRS:

During the period under review, the Company has achieved an income of Rs. 72,13,38,643 and net profit of Rs. 2,02,45,199 on a standalone basis.

SHARE CAPITAL

The Paid-up Share capital of the Company as on March 31, 2022 is Rs. 4,20,00,000 divided into 42,00,000 equity shares of Rs.10/- each fully paid up. There is no increase in capital of the Company.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2022.

AMOUNTS TRANSFERRED TO RESERVES:

No amount is transferred to General Reserve.

LISTED OF EQUITY SHARES:

The Company's equity shares are presently listed on the following Stock Exchanges:

BSE Limited, PhirozeJee Jeebhoy Towers, Dalal Street, Mumbai - 400001

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial Year 2021-22.

DETAILS OF SUBSIDIARIES COMPANIES, ASSOCIATE COMPANY & LLP/PARTNERSHIP

***There is no Subsidiary of Company hence no such information is provided.**

NUMBER OF BOARD MEETINGS:

During the Financial Year 2021-22, the following meetings of the Board of Directors of the company were held.

Sr. No.	Date of Board Meeting	No. of Director Present in the Meeting
1.	01/04/2021	Six Directors were present
2.	29/06/2021	Six Directors were present
3.	10/08/2021	Six Directors were present
4.	14/10/2021	Six Directors were present
5.	13/11/2021	Six Directors were present
6.	02/02/2022	Six Directors were present
7.	10/02/2022	Six Directors were present
8.	14/02/2022	Six Directors were present

THE DETAILS OF THE COMMITTEE MEETINGS HELD DURING THE YEAR IS AS FOLLOWS:

Sr. No.	Name of Committee	Name of Committee Members	Category
1.	Audit Committee	1. Vijaybhai D. Agarwal 2. Harishkumar D. Joshi 3. Gunjan Y. Pandya 3. Nupur B. Modi	Chairman Independent Director Independent Director Independent Director
2.	Nomination and Remuneration Committee	1. Harishkumar D. Joshi 2. Gunjan Y. Pandya 3. Nupur B. Modi	Independent Director Independent Director Independent Director
3.	Risk Management Committee (if applicable)	Not Applicable	
4.	Stakeholders Relationship Committee	1. Vijay D. Agarwal 2. Harishkumar D. Joshi 3. Gunjan Y. Pandya	Director Independent Director Independent Director

STATUTORY DISCLOSURES

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in the Management Discussion and Analysis Report. The details pursuant to remuneration of Directors and employees in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- In the preparation of the Annual Accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such 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 as at 31st March, 2022 and of the profit /loss of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the Annual Accounts for the financial year ended March 31, 2022 on a going concern basis;
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- f) 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL
DIRECTORS:

The Board comprises of Six Directors as on March 31, 2022 viz. Mr. Vijaykumar D. Agarwal (Managing Director & CEO) (DIN 01869337), Mr. Vishal V. Agarwal (Director & CFO) (DIN 01763739), Mr. Vikas V. Agarwal (Director) (DIN 01763769), Mr. Harishkumar D. Joshi (Independent Director) (DIN 01871634) Mr. Gunjan Y. Pandya (Independent Director) (DIN 08493307) and Miss Nupur B. Modi (Independent and Women Director) (DIN 08261303)

(a) Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and the Listing Regulations, specified Companies are required to have at least one Woman Director in their Board. Miss Nupur B. Modi (DIN 08261303) was appointed on 3rd October, 2018 as Women Director on Board.

(b) Chairman of the Board

Mr. Vijaykumar D. Agarwal (DIN 01763739) has been Chairman since 8th November, 2008.

(c) Managing Director & CEO

Mr. Vijaykumar D. Agarwal (DIN 01763739) has been the Managing Director since 8th November 2008.

Mr. Vijaykumar D. Agarwal (DIN 01763739) has been the CEO since 1st October, 2015.

(d) Appointment/ Re-appointment/ Resignation/ Retirement of Directors

In order to ensure compliance with Section 152 (6) of the Act, the Board has considered Mr. Vijaykumar D. Agarwal, Managing Director (DIN 01869337) as liable to retire by rotation and being eligible offer themselves for reappointment.

KEY MANAGERIAL PERSONNEL:

Mr. Vijaykumar D. Agarwal - Managing Director & CEO

Mr. Vishal V. Agarwal - Director & CFO

Miss Siddhi Shah - Company Secretary

There has been no change in the key managerial personnel during the year.

SYSTEM FOR INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Financial Statements are prepared based on Computer system outputs. Responsibility of preparation of Financial Statements is entrusted to a dedicated unit which is completely independent of business, risk, audit or other functions. This unit does not originate accounting entries except for limited matters such as Share Capital, Taxes, and Transfers to Reserves. The Company has implemented adequate procedures and internal controls which provide reasonable assurance regarding reliability of financial reporting and preparation of Financial Statements and that such internal financial controls were adequate and were operating effectively during the year.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

During the financial year 2021-22, the Company has not given any loan to any other Company.

The investment in other securities is within the authority given to the Board by the shareholders under Section 186 of the Companies Act, 2013.

TRANSACTIONS WITH RELATED PARTIES

All related party transactions entered into during FY 2021-22 were on arm's length basis and in the ordinary course of business. No material related party transactions were entered into during the financial year by the Company.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on arm's length basis.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 entered by the Company during the financial year ended March 31, 2022 in prescribed Form AOC-2 is annexed to this Board's Report as **Annexure - II**.

EXPLANATION TO AUDITOR'S REMARKS

The remarks made by the Auditors in their Report have been suitably dealt with in the schedules and notes and therefore, do not call for any further clarification.

Conservation of Energy and Technology Absorption:

The details of Energy and Technology Absorption are as under:

A. Conservation of Energy:

The Company continues its endeavor to improve energy conservation and utilization.

B. Technology Absorption:
(1) the efforts made towards technology absorption:

Indigenously developed technologies for the improvement of production in the factory were adopted and required modifications and innovations were done on continuous basis.

(2) the benefits derived like product improvement, cost reduction, product development or import substitution:

The innovations made by the Company has provided better results in quality and production and also reducing the involvement of manual workers without increasing the overall cost of production and maintenance.

(3) in case of imported technologies (imported during last three years reckoned from the beginning of the financial year)

(a) The details of technology imported: Nil

(b) The year of import: Nil

(c) Whether the technology been fully absorbed: Not applicable

(d) If not fully absorbed, areas where absorption has not taken place and the reasons therefor: Not applicable.

RISK MANAGEMENT POLICY:

The Company has developed a very comprehensive risk management policy and the same is reviewed by the Audit Committee at periodical intervals, which in turn, informs the Board about the risk assessment and minimization procedures adopted by the management. Suggestions or guidance given by the audit committee members are immediately implemented. At the corporate level major risks are reviewed by the Managing Directors and directions in this regard are issued accordingly.

DEPOSITS (AS PER THE DEFINITION SECTION 2(31) OF THE COMPANIES ACT, 2013)

The following details of deposits, covered under Chapter V of the act:

I. Deposits Accepted during the year: Nil

II. Remained unpaid or unclaimed as at the end of the year: Nil

III. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- N.A.

a. At the beginning of the year: Nil

b. Maximum during the year: Nil

c. At the end of the year: Nil

IV. The details of deposits which are not in compliance with the requirements of Chapter: There is no such Deposit held by the Company.

RECEIPT OF ANY COMMISSION BY MANAGING DIRECTOR / WHOLE TIME DIRECTOR FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM IT HOLDING OR SUBSIDIARY:

Company is not paying any commission to its director.

DECLARATION BY INDEPENDENT DIRECTOR:

The Company has received declaration from all the Independent Directors under the Companies Act, 2013 and rules made there under.

STATUTORY AUDITORS:

Mr. Samir M. Shah & Associates (FRN.: 122377W) Chartered Accountants, who have audited the accounts of the year 2021-22, shall retire at the conclusion of the ensuing General Meeting.

Members are requested to consider the appointment of J.T.Shah & Company (FRN.: 109616W) Chartered Accountant, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting, for a period of five years and at the remuneration to be decided by the Board based on the recommendations of the Audit Committee. A Certificate has been received from J.T.Shah & Company (FRN.: 109616W) Chartered Accountant to the effect that their appointment if made would be within the prescribed limits under Section 141 of the Companies Act, 2013.

INTERNAL AUDITORS:

The Board of Directors of the Company have appointed M/s Nimesh M. Shah & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the financial year ended March 31, 2022.

COST AUDITORS:

Company does not fall within the purview of Section 148 of the Companies Act, 2013 and hence there is no requirement for the Company to appoint Cost Auditor for the F.Y 2021-22.

SECRETARIAL AUDIT REPORT:

As per the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors have appointed M/s. D. N. Motwani & Co. Practising Company Secretary (C.P.No.2431) as Secretarial Audit for auditing the secretarial records maintained by the Company for the financial year 2021 -22.

The Secretarial Audit's Report is annexed to this Board's Report as **Annexure III**.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s. D. N. Motwani & Co., Practising Company Secretary, Ahmedabad has been submitted to the Stock Exchange within the specific time and same is annexed here with as **Annexure- IV**

DISCLOSURE**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:**

The Company is not falling within the criteria of Section 135 of the Companies Act, 2013 and hence the Company is not required to form CSR committee.

AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Vijaybhai D. Agrawal, Mr. Harishkumar D. Joshi, Mr. Gunjan Y. Pandya and Miss. Nupur B. Modi as members of the Committee.

All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Board of Directors had approved the policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the company. The Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ Employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The policy of vigil mechanism is available on the Company's website.

PREVENTION OF INSIDER TRADING:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Miss Siddhi Shah, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review, there has been due compliance with the said code of conduct for prevention of insider trading.

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

NOMINATION & REMUNERATION COMMITTEE POLICY:

No sitting fee is paid to Non-Executive directors and Independent Directors. The remuneration paid to the Whole-time director and Directors is approved by the remuneration committee. Remuneration Committee consists of Mr. Harishkumar D. Joshi (DIN: 01871634), Mr. Gunjan Y. Pandya (DIN: 08493307) and Miss. Nupur B. Modi (DIN:08261303) are Independent Directors.

HALF- YEARLY DECLARATION

A half - yearly/Quarterly Declaration of financial performance including summary of significant events in the last six months is currently not being send to each household of shareholders. However, the Company publishes its results in national and state level newspapers having wide circulation. The results are also posted on the website of the Company i.e. www.decomicaltd.com.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

The Statement of particulars of Appointment and Remuneration of Managerial Personnel as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Board's Report as **Annexure-V**.

MANAGERIAL REMUNERATION:		Managerial Remuneration	
Sr. No.	Name of Director	Remuneration for F.Y 2021-2022 (Amount In Rs.)	Remuneration for F.Y 2020-2021 (Amount In Rs.)
1	Vijaykumar V. Agrawal (Managing Director & CEO)	6,00,000/- p.m.	4,00,000/- p.m.
2	Vishal V. Agarwal (Director & CFO)	6,00,000/- p.m.	4,00,000/-p.m.

***Remuneration is not required to be paid to independent director as per Section 149 read with Schedule IV of Companies Act, 2013.**

CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

MATERIAL EVENTS THAT HAVE HAPPENED AFTER THE BALANCE SHEET DATE

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the Financial Statements relate and the date of the Report.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

No order has been passed by the Court/Tribunal during the financial year 2021-2022.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at the Workplace and has adopted a 'Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Work Place', 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 Policy aims to provide protection to women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto with the objective of providing a safe working environment. However no complaint was registered with regard to the same.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India.

GREEN INITIATIVES:

During fiscal 2011, we started a sustainability initiative with the aim of going green and minimizing our impact on the environment. Like the previous years, this year too, we are publishing only the statutory disclosures in the print version of the Annual Report. Additional information is available on our website, www.decomicaltd.com.

Electronic copies will be the Annual Report 2021-22 and Notice of the 33rd Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2022 and the Notice will be the 33rd Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

The Company provides e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies.

(Management and Administration) Amendment Rules, 2015. The instructions for e-voting are provided in the Notice.

ACKNOWLEDGMENT

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support.

Place : Ahmedabad
Date : 26th May, 2022

For and on behalf of the Board of Directors

Vijaykumar Agarwal
(DIN: 01869337)
Chairman & Managing Director

Annexure- I to the Director's Report

Management's Discussion and Analysis of Results of Operation and Financial Condition

a) Outlook

The Catastrophic year 2021-22 after creating one of the greatest challenges of the century came to an end reversing the hopelessness with lots of positivity. The feel-good period, however appears short-lived as the third wave of the pandemic is ravaging some parts of the country and threatens to spread at a supersonic speed to the remaining states of the country. Speed in vaccination covering the vulnerable sections, while maintaining all possible mandatory precautions against the disease remains the only solution left to fight the menace. Events that would take shape in the next fortnight would only tell if 2022-23 would be a better year than 2021-22.

The Indian Laminates industry like its global counterparts belong to one of those core industries is looking forward for a steady growth in 2022 onwards.

b) Opportunities and Threats

The Company faces the Competition from the other players in the market and bearing unforeseen circumstances. The management is hopeful to conquer such threats.

Due to opening of the market, there is ample opportunities in the domestic as well as international markets.

c) Risks and Concerns:

Risk is inherent in every business and Laminate Industry is no exception. The Laminate industry displays strong commodity characteristics and is subject to cyclical price movements in business cycles. The Company is exposed to risks from overall market fluctuations, import and export of laminates, changes in government policy, Country laws, taxation, man-made disasters, political risks and Currency risk arises from exposure to foreign currencies and the volatility associated therewith, etc. which affects the financial performance of the industry as a whole and also of the Company.

d) Discussions on financial performance with reference to operational Performance:

During the year under review the Company's operational and financial performance has been quite satisfactory, the Company's revenue from operations stood at Rs. 7170.61 lacs (previous year Rs. 5343.65) and the other income stood at Rs. 42.78 lacs (previous year Rs. 13.93 lacs) and hence the total income stood at Rs. 7213.39 lacs (previous year Rs. 5357.58 lacs). The company has incurred a net Profit of Rs 202.45 lacs (previous year net Profit of Rs. 132.93 lacs). The Other Comprehensive Income (OCI) for the year stood as Rs. 201.81 lacs (previous year Rs. 139.84 lacs).

The Board as usual continues to make its best possible efforts to improve the overall working and financial performance of the Company.

e) Internal Control System and its Adequacy:

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes are duly complied with. The Company has constituted an Audit Committee to monitor the adequacy and efficacy of internal control systems.

The adequacy of these compliances and their effectiveness is subject to statutory audit and the same has been adequately reported by the Auditors in their report as required under the relevant provisions of the Companies Act, 2013. The Company also has as Internal Audit System.

e) Material Developments in HRD and industrial Relations Front:

Your Directors recognize the value of employees as valuable assets. Developing, motivating, and retaining talented employees is a key responsibility and policy of the Company's Management.

Key financial ratios:

Sr. No.	Ratios	2021-22	2020-21	Change in %
1	Current Ratio	1.32	1.41	-6.41%
2	Debt Equity Ratio	1	1.01	-1.03%
3	Debt Service Coverage Ratio	0.23	0.21	9.52%
4	Return on Equity Ratio	0.10	0.07	39.03%
5	Inventory Turnover Ratio	2.71	2.57	5.70%
6	Trade Receivables Turnover Ratio	2.79	2.22	25.83%
7	Trade Payables Turnover Ratio	7.02	4.51	55.77%
8	Net Capital Turnover Ratio	5.86	4.88	20.27%
9	Net Profit Margin Ratio	0.03	0.03	14.51%
10	Return on Capital Employed	0.22	0.19	15.76%
11	Return on Investment	0	0	0

Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

Annexure- II to the Directors Report
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.

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

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SALASAR LAMINATES LIMITED
b)	Nature of contracts/arrangements/transaction	SALES AND OTHER INCOME
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	HERITAGE BOARD LIMITED
b)	Nature of contracts/arrangements/transaction	SALES AND OTHER INCOME
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	HIDESIGN INNOVATION
b)	Nature of contracts/arrangements/transaction	SALES AND OTHER INCOME
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	MEGASOL GLOBAL SANTEJ
b)	Nature of contracts/arrangements/transaction	SALES AND OTHER INCOME
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIJAYKUMAR D. AGARWAL
b)	Nature of contracts/arrangements/transaction	REMUNERATION AND PERQUISITES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VISHAL V. AGARWAL
b)	Nature of contracts/arrangements/transaction	REMUNERATION AND PERQUISITES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKAS V. AGARWAL
b)	Nature of contracts/arrangements/transaction	REMUNERATION AND PERQUISITES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SIDDHI J. SHAH
b)	Nature of contracts/arrangements/transaction	REMUNERATION AND PERQUISITES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SHRADDHA V. AGARWAL
b)	Nature of contracts/arrangements/transaction	REMUNERATION AND PERQUISITES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIJAYKUMAR D. AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VISHAL V. AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKAS V. AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	AARYA V. AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	KHWAISH V. AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SANTOSHDEVI VIJAYKUMAR AGARWAL
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIJAYKUMAR DINDAYAL AGARWAL HUF
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKASKUMAR VIJAYKUMAR AGARWAL HUF
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.K.A. FINANCE AND INVESTMENT COMPANY
b)	Nature of contracts/arrangements/transaction	INTEREST EXPENSES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VISHAL V. AGARWAL
b)	Nature of contracts/arrangements/transaction	REIMBURSEMENT OF RENT, MUNICIPAL TAX AND OTHER CHARGES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKAS V. AGARWAL
b)	Nature of contracts/arrangements/transaction	REIMBURSEMENT OF RENT, MUNICIPAL TAX AND OTHER CHARGES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.K.A FINANCE AND INVESTMENT COMPANY
b)	Nature of contracts/arrangements/transaction	REIMBURSEMENT OF RENT, MUNICIPAL TAX AND OTHER CHARGES
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	HERITAGE BOARD LIMITED
b)	Nature of contracts/arrangements/transaction	PURCHASES AND STORE CONSUMPTION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	KRISHNA DÉCOR PRIVATE LIMITED
b)	Nature of contracts/arrangements/transaction AND OTHER CHARGES	REIMBURSEMENT OF RENT, MUNICIPAL TAX
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SALASAR LAMINATES LIMITED
b)	Nature of contracts/arrangements/transaction	PURCHASES AND STORE CONSUMPTION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	HERITAGE BOARD LIMITED
b)	Nature of contracts/arrangements/transaction	PURCHASES AND STORE CONSUMPTION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	HIDESIGN INNOVATION
b)	Nature of contracts/arrangements/transaction	PURCHASES AND STORE CONSUMPTION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	MEGASOL GLOBAL SANTEJ
b)	Nature of contracts/arrangements/transaction	PURCHASES AND STORE CONSUMPTION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V K FOUNDATION
b)	Nature of contracts/arrangements/transaction	DONATION
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIJAYKUMAR D AGARWAL
b)	Nature of contracts/arrangements/transaction	LOAN TAKEN
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VISHAL V AGARWAL
b)	Nature of contracts/arrangements/transaction	LOAN TAKEN
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKAS V AGARWAL
b)	Nature of contracts/arrangements/transaction	LOAN TAKEN
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIJAYKUMAR DINDAYAL AGARWAL HUF
b)	Nature of contracts/arrangements/transaction	LOAN TAKEN
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VIKASKUMAR VIJAYKUMAR AGARWAL HUF
b)	Nature of contracts/arrangements/transaction	LOAN TAKEN
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RELATIVES AND KEY MANAGEMENT PERSONNEL
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.K.A. FINANCE & INVESTMENT COMPANY
b)	Nature of contracts/arrangements/transaction	LOAN REPAID
c)	Duration of the contracts/arrangements/transaction	3 YEARS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	ENTITIES CONTROLLED BY DIRECTORS/ RELATIVE OF DIRECTORS
e)	Date of approval by the Board	26/05/2022
f)	Amount paid as advances, if any	0

FOR, DECO MICA LIMITED

VIJAYKUMAR D. AGARWAL
MANAGING DIRECTOR
(DIN: 01869337)

Annexure III to the Directors Report

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 31st March, 2022

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

To,
The Members of
Deco Mica Limited
306,3rd Floor, Iscon Mall,
Star Bazaar Building,
Jodhpur Cross Road,
Satellite,
Ahmedabad -380015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deco Mica Limited (CIN:L20299GJ1988PLC010807)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and explanations 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, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) 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, where applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- (vi) All relevant laws applicable to the Company as provided by the management hereunder:
 - A. TAXATION-DIRECT AND INDIRECT TAXATION (INCLUDING GST TAX AND MUNICIPAL/LOCAL LEVIES)**
 - **Income Tax Act, 1961**

- **Customs Act, 1962**
- B. GENERAL LAWS**
 - Shops and Establishment Act
 - Foreign Exchange Management Act
- C. APPLICABLE LOCAL / MUNICIPAL LAWS**
- D. COMPETITION LAW**

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

(1) Secretarial Standards

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines, to the extent applicable, as mentioned above.

(2) Listing Agreements

The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE).

During the period under review the Company has complied with the provisions of the Acts, 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, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period there were no specific events/actions such as Public Issue of Securities, buy back, merger, amalgamation, foreign technical collaborations etc. or any other major decisions in pursuance of section 180 of the Companies Act, 2013 which require compliance of applicable provisions thereof.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 specific events/actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc as follows:

Notes:

- (i) This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.
- (iii) This Report is limited to the Statutory Compliances on laws I regulations I guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2021-2022. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

**For, D.N.Motwani & Co.
Company Secretaries**

**Date: 24.08.2022
Place: Ahmedabad**

UDIN: A005016D000840246

**D.N. Motwani
COMPANY SECRETARY
ACS NO. 5016
C.P NO. 2431**

Annexure-A to Secretarial Audit report

To,
The Members of
Deco Mica Limited
306,3rd Floor, Iscon Mall,
Staz Bazzar Building,
Jodhpur Cross Road,
Satellite,
Ahmedabad -380015

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

**For, D.N.Motwani & Co.
Company Secretaries**

**Date: 24.08.2022
Place: Ahmedabad
UDIN: A005016D000840246**

**D.N. Motwani
COMPANY SECRETARY
ACS NO. 5016
C.P NO. 2431**

ANNEXURE - IV to the Directors Report

Annual Secretarial Compliance Report of Deco Mica Limited for the year ended 31st March, 2022.
(Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015 and Circular dated 8th February, 2019 issued by SEBI)

I, Dilip N. Motwani, Practicing Company Secretary have examined:

- a) all the documents and records made available to us and explanation provided by Deco Mica Limited ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March, 2022 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below: -

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL			

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.

- c) The following are the details of action taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc. if any.	Observations/ remarks of the Practicing Company Secretary,
1.	BSE	Discrepancies in Board Meeting and Audit Committee Meeting for September 2021 Quarter	Levied Fine of Rs.10000	Rectification XBRL Form Submitted on 12/11/2021 to BSE Listing Site.
2.	BSE	Discrepancies in DIN Mismatch of Mr. Gunjan Y. andya (DIN: 08493307) in Composition of Board of Directors, Audit Committee and Nomination and Remuneration Committee for December 2021 Quarter.	-----	Rectification XBRL Form Submitted on 29/01/2022 to BSE Listing Site.

- d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended. (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

**For, D.N.Motwani & Co.
Company Secretaries**

**Date: 12/05/2022
Place: Ahmedabad**

UDIN: A005016D000307373

**D.N. Motwani
COMPANY SECRETARY
ACS NO. 5016
C.P NO. 2431**

Annexure V to the Directors' Report

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Name of the Director	Category	DIN	Ratio of the remuneration of Director to the median remuneration of the employees
1	Mr. Vijaybhai D. Agarwal	Managing Director & CEO	01869337	5:9
2	Mr. Vishal V. Agarwal	Director & CFO	01763739	5:9

B. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sr. No.	Name of the Director	Category	DIN/PAN	% increase in remuneration in the financial year
1	Mr. Vijaybhai D. Agarwal	Managing Director & CEO	01869337	50%
2	Mr. Vishal V. Agarwal	Director & CFO	01763739	50%
3	Miss Siddhi Shah	Company Secretary	DYIPS4664F	25%

Note: Due to Covid-19, Nomination and Remuneration Committee of the Company recommended to the Board with their concern to control the expenses and suggested a voluntary pay cut to the Remuneration of Directors up to a maximum of 33.33% per cent. The Board approved the resolution.

C. The median remuneration for the year 2020-21 is - 5,00,000
D. Number of permanent employees on the rolls of company:

The number of permanent employees on the rolls of the Company as on March 31, 2022 is 179.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The increase in remuneration is linked to the performance of Company as a whole, the concerned division, the employees and other factors like industry trends and economic environment.

As per the Company's policy of rewarding the employees, including Key Managerial Personnel, the increase in remuneration and variable pay is based on an individual performance rating and business unit performance and the bench mark study is also factored. Considering the performance of the KMPs in the year, they were appropriately compensated.

F. Affirmation that the remuneration is as per the remuneration policy of the company

The Company affirms remuneration is as per the Remuneration Policy of the Company.

CERTIFICATION OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Deco Mica Limited
306,3rd Floor, Iscon Mall,
Staz Bazaar Building,
Jodhpur Cross Road,
Satellite - 380015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Deco Mica Limited having CIN: L20299GJ1988PLC010807** and having registered office situated at **306, 3rd Floor, Iscon Mall, Star Bazaar Building, Jodhpur Cross Road, Satellite, Ahmedabad - 380015** (hereinafter referred to as "the Company") produce before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with the Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. no.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Vijaybhai D. Agarwal	01869337	01/01/1997
2.	Mr. Vishal V. Agarwal	01763739	08/11/2008
3.	Mr. Vikas V. Agarwal	01763769	13/02/2018
4.	Mr. Harish D. Joshi	01871634	15/03/2007
5.	Mr. Gunjan Y. Pandya	08493307	27/09/2019
6.	Miss. Nupur B. Modi	08261303	03/10/2018

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

For, D.N.Motwani & Co.
Company Secretaries

Place: Ahmedabad
Date: 24/08/2022
UDIN: A005016D000840268

D.N. Motwani
(Proprietor)
(C.P. No. 2431)

INDEPENDENT AUDITORS' REPORT

To,
The Members of
DECO-MICA LIMITED
Ahmedabad

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Deco-Mica Limited (the 'Company') which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.
2. 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 other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022 and its profit including other comprehensive income its cash flows and the Statement of Changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. As described in Note 46 to the standalone annual financial statements, the extent to which the COVID-19 pandemic will impact the company's operations and financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

5. 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 forming our opinion thereon, and we do not provide a separate opinion, on these matters.
6. **Key audit matter identified in our audit is on recoverability assessment of trade receivables as follows:**

Key audit matter	How our audit addressed the key audit matter
Measurement of Expected Credit Loss on Trade Receivables	
Trade receivables amount to Rs. 2763.98 Lacs after providing for impairment based on expected credit loss method is of Rs. 21.67 Lacs. The measurement of expected credit loss is based on provision matrix that identifies receivables on number of days remaining outstanding and empirical data on	The management's estimations for impairment based on expected credit loss method, our audit procedures included the following: <ul style="list-style-type: none"> • Obtained a list of receivables; • We analysed the aging of receivables;

<p>recoverability. This Provision matrix requires to be updated regularly based on the circumstantial evidences which may result in significant variation in measurement from one period to other.</p>	<ul style="list-style-type: none"> • Identified any receivables with financial difficulty through discussion with management; • We obtained receivables balance confirmations on a sample basis; • Tested subsequent settlement of receivables after the balance sheet date on a sample basis; • In respect of receivables overdue for a period of 90 days or more, we assessed the recoverability through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.
--	---

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and as may be legally advised.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial performance including other comprehensive income, Cash flows and the Statement of Changes in Equity of the Company in accordance with the Ind AS and other 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 fair presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

11. 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 a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of

users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control 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 explaining 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 a 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 financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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

16. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure A, 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 Standalone Financial Statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with accounting principles generally accepted in India as specified under Section 133 of the Act read with the Companies

- (Indian Accounting Standard Rules) 2015, as amended.
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;
 - g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. (Refer Note 38 to the financial statements);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediaries shall, whether, directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that to the best of its knowledge and belief, other than as disclose in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on such audit procedures applied by us, nothing has come to our notice that has caused us to believe that the representations made under sub clause (i) and (ii) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year as prescribed under Section 123 of the Act.

For, Samir M Shah & Associates.
Chartered Accountants,
[Firm Regd. No. 122377W]

Place: Ahmedabad
Date: 26.05.2022

(Sneha Jethani)
Partner
[M. No. 160932]
(UDIN: 22160932AJRILJ1168)

ANNEXURE-A TO THE AUDITORS REPORT

Referred to in paragraph 16 under "Report on Other Legal and Regulatory Requirements" section of our Report to the Members of Deco-Mica Ltd. of even date.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. In respect of Property, Plant and Equipment :

- (a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipments.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipments were physically verified by the Management according to a phased programme at regular interval which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, property, plant and equipments have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant & Equipments or intangible assets during the year.
- (e) No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.

2. In respect of its Inventories :

- (a) The physical verification of inventories has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by management is appropriate and no material discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) The company has been sanctioned working capital limit of Rs. 19.65 Crores in aggregate from Banks and Financial Institutes. Copies of quarterly statement and return, furnished to bank have also been made available for our verification. We have verified the same on random sampling basis and found the same in agreement with books of accounts. Discrepancies noticed during the verification, were reasonably explained by the management.

3. In respect of Loans and Advances granted during the year:

The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore the clauses 3(iii) (a) to (f) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.

4. Loans, Investments and Gurantees:

The company has not granted any loans or made any investments or provided any guarantees or security during the year. Hence, the provisions of section 185 and 186 of the companies Act are not applicable. Therefore, clause 3(iv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.

5. In respect of Deposits:

The company has not accepted any deposits or amount which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company. Accordingly, clause 3(v) of Companies (Auditor's Report) Order, 2020 is not applicable.

6. In Respect of Cost Records:

We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance

of cost records under Section 148 (1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues :

- (a) The Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, cess and any other material statutory dues with the appropriate authorities.

No undisputed amounts payable in respect statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable except there is an undisputed amount of Rs. 51.80 lacs in respect of Advance Tax of current financial year which has remained unpaid for a period exceeding six months from the date it became payable.

- (b) There were no dues of Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, cess and any other statutory dues which have not been deposited on account of any dispute.

8. In Respect of Undisclosed Income Discovered in Income tax Assessment:

There were no transactions that were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, clause 3(viii) of Companies (Auditor's Report) Order, 2020 is not applicable to the company.

9. In respect of Repayment of Loans:

- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
- (b) The company is not declared as willful defaulter by any bank or financial institution or other lenders.
- (c) In our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
- (d) The company has not utilized any funds raised on short term basis for long term purpose. Hence, clause 3 (ix)(d) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (e) The company has not taken any funds from any entity or person to meet obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3 (ix) (e) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (f) The company has not has raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, clause 3 (ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

10. In Respect of Public Offerings:

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).Accordingly, clause 3 (x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, clause 3(x)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

11. (a)To the Best of our knowledge and according to the information and explanation given to us ,no fraud by the Company or no material on the company has been noticed or reported during the year.

(b) No report under sub-Section (12) of Section 143 of the Companies Act,2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Auditor and Auditor) Rules 2014 with the Central Government.

(c) No whistle-blower complaints were received during the year by the company.

12. As the company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable to it.Accordingly, provisions of clause (xii) (a) to (c) of the Company's (Auditor's Report) Order, 2020 are not applicable to the Company.

13. The company is in compliance with section 177 and 188 of the Companies Act 2013 where applicable, for all transactions with the related parties and the details of related part transactions have been disclosed in

the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosure" specified under section 133 of the act.

14. In Respect of Internal Audit:

- (a) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business of the company.
 - (b) During the course of our audit, we have considered, the report of the internal auditor for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extend of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
15. The Company has not entered in to any non-cash transactions with its directors or persons connected with him. Accordingly, clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
16. In Respect to the Provisions of Reserve Bank Of India Act 1934:
- (a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi)(a) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (b) The company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause (xvi)(b) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause (xvi)(c) & (d) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
17. The Company has not incurred any cash losses in the financial year under review and immediately preceding financial year. Accordingly, clause (xvii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
18. There has been no resignation of the statutory auditors during the year under consideration. Accordingly, clause (xviii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
19. On the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not as assurance as to the future viability of the Company. We further stat that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one period from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There were no unspent amount required to be transferred to special account as required by Section 135 of the Companies Act, 2013. Accordingly, provisions of sub clause (a) and (b) of clause (xx) of the Company's (Auditor's Report) Order, 2020 are not applicable to the company.

**For, Samir M Shah & Associates.
Chartered Accountants,
[Firm Regd. No. 122377W]**

**Place: Ahmedabad
Date: 26.05.2022**

**(Sneha Jethani)
Partner
[M. No. 160932]
(UDIN: 22160932AJRILJ1168)**

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 17 (f) of our Report of even date to the Members of DECO-MICA LIMITED for the year ended **31st March, 2022**.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **DECO-MICA LIMITED as of 31st March 2022**, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 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 auditor's judgment, 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 Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad

Date: 26.05.2022

For, Samir M Shah & Associates.

Chartered Accountants,

[Firm Regd. No. 122377W]

(Sneha Jethani)

Partner

[M. No. 160932]

(UDIN: 22160932AJRILJ1168)

Balance Sheet As At 31st March 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31/03/2022	As at 31/03/2021
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment & Intangible Assets			
(i) Property, Plant and Equipment	3	1,091.39	1,062.63
(ii) Intangible Assets	4	-	-
(b) Capital Work in Progress	5	5.02	-
(c) Financial Assets			
(i) Investments	6	-	0.07
(ii) Other Financial Assets	7	23.93	22.92
(d) Other Non-Current Assets	8	5.13	1.83
Total Non - Current Assets		1,125.47	1,087.45
2 Current assets			
(a) Inventories	9	2,056.99	1,326.57
(b) Financial Assets			
(i) Trade Receivables	10	2,763.98	2,277.12
(ii) Cash and Cash Equivalents	11	4.96	6.17
(iii) Other Bank Balances	12	88.08	65.83
(iv) Other Financial Assets	13	2.78	2.06
(c) Other Current Assets	14	73.16	72.63
Total Current Assets		4,989.95	3,750.38
Total Assets (1+2)		6,115.42	4,837.83
B EQUITY AND LIABILITIES			
1 Equity			
(a) Share Capital	15	420.00	420.00
(b) Other Equity	16	1,640.52	1,438.72
Total Equity		2,060.52	1,858.72
LIABILITIES			
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	114.50	168.85
(b) Provisions	18	45.40	33.42
(c) Deferred Tax Liabilities (Net)	19	104.88	110.95
Total Non - Current Liabilities		264.78	313.22
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,948.64	1,711.59
(ii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	21	8.94	0.75
-total outstanding dues of creditors other than micro enterprises and small enterprises.	21	1,018.66	486.62
(iii) Other Financial Liabilities	22	127.51	79.33
(b) Other Current Liabilities	23	574.76	318.44
(c) Provisions	24	11.30	10.12
(d) Current Tax Liabilities (Net)	25	100.31	59.06
Total Current Liabilities		3,790.12	2,665.91
Total Equity and Liabilities (1+2+3)		6,115.42	4,837.83

Summary of Significant Accounting Policies

2

Notes to Accounts

3 to 49

As per our report of even date attached herwith

For & on behalf of the Board of Directors of

For, Samir M Shah & Associates

DECO MICA LIMITED

Chartered Accountants

(Firm Regd. No. 122377W)

(Vijaykumar D. Agarwal)
Managing Director & CEO
(DIN - 01869337)

(Vishal V. Agarwal)
Director & CFO
(DIN - 01763739)

(Sneha Jethani)
Partner
(M.No.160932)

(Siddhi Shah)
Company Secretary
(ACS No. 44885)

Place : Ahmedabad

Date : 26.05.2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2022

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31/03/2022	Year Ended 31/03/2021
Continuing Operations			
I Revenue from operations	26	7,170.61	5,343.65
II Other Income	27	42.78	13.93
III Total Income (I + II)		7,213.39	5,357.58
IV EXPENSES			
(a) Cost of materials consumed	28	4,493.61	3,261.92
(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	96.23	145.46
(c) Employee benefit expense	30	713.76	588.93
(d) Finance costs	31	165.10	156.35
(e) Depreciation and amortisation expense	32	115.61	108.99
(f) Other expenses	33	1,339.21	899.26
Total Expenses		6,923.51	5,160.90
V Profit/(loss) before tax (III- IV)		289.88	196.68
VI Tax Expense			
(a) Current tax	34	92.00	64.00
(b) Tax expense related to prior year	34	1.24	5.53
(c) Deferred tax liability / (assets)	34	(5.82)	(5.77)
Total tax expense		87.43	63.75
VII Profit/(loss) for the year (V-VI)		202.45	132.93
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit Expenses/ (income)	35	(0.90)	9.58
(ii) Income tax relating to items that will not be reclassified to profit or loss (Liability)/Assets	35	0.25	(2.66)
IX Total Other Comprehensive income (VII A + VII B)		(0.65)	6.91
X Total comprehensive income for the year (VII+IX)		201.81	139.84
XI Earning Per Shares (Face Value of Rs. 10/- each fully paid up):			
A Basic	36	4.82	3.16
B Diluted		4.82	3.16

Summary of Significant Accounting Policies

2

Notes to Accounts

3 to 49

As per our report of even date attached herewith

For & on behalf of the Board of Directors of

For, Samir M Shah & Associates

DECO MICA LIMITED

Chartered Accountants

(Firm Regd. No. 122377W)

(Vijaykumar D. Agarwal)
Managing Director & CEO
(DIN - 01869337)

(Vishal V. Agarwal)
Director & CFO
(DIN - 01763739)

(Sneha Jethani)

Partner

(M.No.160932)

(Siddhi Shah)
Company Secretary
(ACS No. 44885)

Place : Ahmedabad

Date : 26.05.2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year 31/03/2022		Year 31/03/2021	
A: Cash from Operating Activities :				
Net Profit before Taxation		289.88		196.68
Adjustment For :				
Depreciation	115.61		108.99	
Allowance for Bad & Doubtful Debts (ECL)	2.34		(2.30)	
Interest Paid	165.10		156.35	
Investment W/off	1.60		Nil	
Provision for I'ment W/Back	(1.54)		Nil	
Loss / (Profit) on Sale of Property, Plant and Equip.	-		3.81	
Interest Income	(3.66)		(4.16)	
		279.45		262.69
Operating Profit Before Working Capital Changes:		569.33		459.37
Adjustment For :				
Increase/(decrease) in Other Non Current Assets	(0.06)		8.03	
Decrease/(increase) in inventories	(730.42)		1.78	
Decrease/(increase) in Trade Receivable	(489.20)		217.53	
Increase/(decrease) in Other Bank Balance	(22.25)		1.23	
Increase/(decrease) in Other Non current financial assets	(0.01)		2.87	
Increase/(decrease) in Other Current Assets	(0.53)		(19.38)	
Increase/(decrease) in Non Current Provisions	11.09		5.75	
Decrease/(increase) in Trade Payable	540.23		(731.74)	
Increase/(decrease) in Other Current Financial Liability	45.62		26.78	
Increase/(decrease) in Other Current Liabilities	256.25		86.49	
Increase/(decrease) in Current Provision	1.18		8.05	
		(388.09)		(392.61)
Cash Generated From Operations		181.24		66.76
Income Tax Paid	(65.07)		(55.26)	
Interest Paid	(159.11)		(142.51)	
		(224.18)		(197.77)
Net Cash From Operating Activities (A)		(42.94)		(131.01)
B: Cash Flow From Investment Activities :				
Purchase of Property, Plant and Equipments (including WIP)	(149.40)		(74.58)	
Sale of Fixed Assets	Nil		-	
(Increase)/Decrease in Fixed Deposit	(1.00)		-	
Interest Income	2.94		4.30	
Net Cash from Investment Activities (B)		(147.46)		(70.28)
C: Cash Flow From Financing Activities :				
Repayment of Long Term Borrowings	(39.56)		(21.43)	
Proceeds of Long Term Borrowings	Nil		161.37	
Repayment of Short Term Borrowings	(182.22)		(226.27)	
Proceeds of Short Term Borrowings	410.96		289.08	
Net Cash from Financing Activities (C)		189.18		202.76
Net Increase / (Decrease) in Cash & Cash Equivalents		(1.21)		1.47
Cash & Cash Equivalents at the Beginning		6.17		4.70
Cash & Cash Equivalents at the End		4.96		6.17
As per our report of even date attached.				

Notes :

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

As per our report of even date attached herewith
For & on behalf of the Board of Directors of
For, Samir M Shah & Associates
DECO MICA LIMITED
Chartered Accountants
(Firm Regd. No. 122377W)
(Vijaykumar D. Agarwal)
Managing Director & CEO
(DIN - 01869337)
(Vishal V. Agarwal)
Director & CFO
(DIN - 01763739)
(Sneha Jethani)
Partner
(M.No.160932)
(Siddhi Shah)
Company Secretary
(ACS No. 44885)
Place : Ahmedabad
Date : 26.05.2022

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

Equity Share Capital (₹ in Lakhs)		
Particulars	Note No.	Amount
Balance as on 1st April, 2020	15	420.00
Changes in Equity Share capital due to prior period Errors		Nil
Restated Balance at the beginning of the previous reporting period	15	420.00
Changes in equity share capital during the year		Nil
Balance as on 31st March, 2021	15	420.00
Changes in Equity Share capital due to prior period Errors		Nil
Restated Balance at the beginning of the previous reporting period	15	420.00
Changes in equity share capital during the year		-
Balance as on 31st March, 2022	15	420.00

Other Equity (₹ in Lakhs)				
Particulars	Note No.	Reserves and Surplus		Total
		Retained Earnings	General Reserve	
Balance as at 1st April, 2020	16	1,275.69	23.18	1,298.88
Profit for the year		132.93	-	132.93
Other comprehensive income for the year (net of Tax)		6.91	-	6.91
Total Comprehensive Income for the year		139.84	-	139.84
Balance as at 31st March, 2021	16	1,415.54	23.18	1,438.72
Profit for the year		202.45	-	202.45
Other comprehensive income for the year (net of Tax)		-0.65	-	-0.65
Total Comprehensive Income for the year		201.81	-	201.81
Balance as at 31st March, 2022	16	1,617.34	23.18	1,640.52

As per our report of even date attached herewith

For & on behalf of the Board of Directors of

For, Samir M Shah & Associates

DECO MICA LIMITED

Chartered Accountants

(Firm Regd. No. 122377W)

(Vijaykumar D. Agarwal)
Managing Director & CEO
(DIN - 01869337)

(Vishal V. Agarwal)
Director & CFO
(DIN - 01763739)

(Sneha Jethani)
Partner
(M.No.160932)

(Siddhi Shah)
Company Secretary
(ACS No. 44885)

Place : Ahmedabad
Date : 26.05.2022

Notes forming part of Standalone Financial Statements for the year ended 31.03.2022:
1. Corporate Information

Deco Mica Limited (referred to as 'the company') is a leading in manufacturing of Decorative Laminated Sheets, Cut pieces & Industrial Insulators Board & Trading of goods. The company has its registered office at 306, 3rd Floor, Iscon Mall, Above Star Bazar, Near Jodhpur Cross Road, Satellite, Ahmedabad-380015.

2. SIGNIFICANT ACCOUNTING POLICIES
(i) Basis of preparation and presentation :

- a) The financial statements have been prepared with all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

- b) The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(ii) Use of Estimates:

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 18 - Current / Deferred tax liabilities

Note 29 - Measurement of defined benefit obligations

Note 09 - Expected credit loss for receivables

(iii) Critical Accounting Estimates and Judgement used in application of Accounting Policies

a. Income Taxes

Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid / recovered for uncertain tax positions. (Also refer Note 18 and 33.)

b. Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology. (Refer Note 3)

c. Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on empirical evidence available without under cost or effort, existing market conditions as well as forward looking estimates at the end of each reporting period. (Refer Note 41).

d. Defined Benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 29.1).

e. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include

consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments. (Refer Note 41).

(iv) Property, Plant and Equipment & Depreciation:

a) Property Plant and Equipment:

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only, if 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. Freehold land is carried at cost less accumulated impairment losses. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost of an item of property, plant and equipment comprises:

- Its purchase price, all costs including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. Tax credit, if any, are accounted for by reducing the cost of capital goods;
- Any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

b) Capital work in progress:

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment. Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

c) Depreciation methods, estimated useful life and residual value:

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on fixed assets has been provided on straight line method based on the their useful lives which are in line with as specified under schedule II of the Act. However, land is not depreciated. However, land is not depreciated.

The estimated useful lives are mentioned below:

Asset Class	Useful life (years)
Office Building	60
Factory Building	30
Plant and Equipment	15
Electric Installation	10
Laboratory Equipments	10
Office Equipment	5
Computers	3
Furniture & Fixtures	10
Motor Vehicle & Tempo	8
Motor Cycle & Scooter	10

Depreciation is calculated on pro rata basis with reference to the date of addition/disposal. The residual values are not more than 5% of the original cost of asset.

(v) Intangible Assets and Amortisation :

Intangible Assets:

Intangible assets are measured on initial recognition at cost (net of recoverable taxes, if any). Subsequently, intangible assets are carried out at cost less any accumulated amortization and accumulated impairment losses, if any.

Amortisation methods, estimated useful life and residual value:

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of Profit & Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on a straight line basis over a period of 5 years.

(vi) Impairment of non - financial assets

The Company reviews the carrying amount of its Property, Plant and Equipment, including Capital Work in progress of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable Amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

(vii) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets:

i. Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

ii. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and

iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost :

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) Financial assets at fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Trade receivables, Advances, Security Deposits, Non-Current Investments, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.

iii. De recognition:

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

iv. Impairment of financial assets:

At each reporting date the company assesses, whether a financial assets or group of financial assets is impaired. In accordance of Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision

matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense / income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

2. Financial Liabilities:

i. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

i) Financial liabilities measured at amortised cost.

ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

Subsequently, all financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. Derecognition:

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(viii) Off-setting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(ix) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost in respect of raw materials are determined on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

Costs in respect of process and finished goods are computed on weighted average basis method. Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

Spares (not meeting the definition of property, plant and equipment) are accounted as inventory and expensed to the statement of profit and loss when issued for consumption.

(x) Borrowing Cost :

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings except the amount outstanding as on the balance sheet date of specific borrowings. Borrowing cost incurred actually on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(xi) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

(xii) Statement of Cash flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xiii) Income Recognition Policy:-

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The revenue towards satisfaction of performance is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligations. The transaction price of goods sold and service rendered is net of variable consideration on account of various discounts offered by the company as part of contract. These variable considerations are estimated based on

the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that amount will not be subject to significant reversal when uncertainty relating to its recognition resolved.

Sale of Product:

The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customers as may be specified in the contract.

Other Operating Revenue- Export Incentives

Exports Incentives under Duty Drawback and MEIS are treated as income in the year of Exports based on eligibility and when there is reasonable certainty regarding the receiving the same.

Insurance Claims:

Insurance and other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

Other Income

Interest income:

Interest Income from financial assets is recognised at the effective interest rate applicable on initial recognition.

Other income is recognized on accrual basis except when realization of such income is uncertain.

(xiv) Government grants & subsidies

Grants from the government are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them.

Incomes from the above grants are presented under Revenue from Operations.

(xv) Foreign Currency Transactions:

Functional currency of the Company is Indian rupee. The financial statements have been presented under its functional currency. Any transaction that is denominated in a currency other than the functional currency is regarded as foreign currency transaction. All foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. In case of consideration received or paid in advance, the exchange rate prevailing on the date of receipt or payment of advance is considered when subsequently the related asset is given up or received to the extent of advance consideration.

At the end of the reporting period:

1. foreign currency monetary items are translated using the exchange rate for immediate delivery at the end of the reporting period;
2. non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
3. non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

(xvi) Derivative financial instruments:

The Company has entered cross currency interest rate swap contracts with a view to hedge the risks of foreign currency borrowings. The notional amounts of instruments outstanding as at the year end, are restated at closing rates an unrealized transaction difference are included in the Statement of

Profit and Loss. The net interest accruing is recorded in the Statement of Profit and loss over the period of the instruments, changes in fair value of other derivative instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

(xvii) Goods and Service Tax (GST):

GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of GST on goods manufactured. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit is carried forward in the books.

(xviii) Employee Benefits:

i. Short term employee benefits:

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered. In case of Leave Encashment, the company does not allow carry forward of unavailed leave and hence unavailed leaves are encashed in the current year itself.

ii. Post-employment benefits:

a) Defined contribution plan:

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

b) Defined benefit plans:

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

(xix) Earnings per Share

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to Equity Shareholders of the company by the weighted average number of Equity Shares issued during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xx) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is a present obligation as a result of past events and

when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

(xxi) Taxes on Income :

a) Current Tax:

Current Tax is determined on income for the year chargeable to tax in accordance on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Effective from 1st April, 2019, the Company has adopted Appendix C of Ind AS-12 and has provided for the tax liability based on the significant judgment that the taxation authority will not accept the tax treatment. However adoption of the same does not have any impact on the Balance Sheet, Statement of Change in Equity and Statement of Profit & Loss Account.

b) Deferred Tax:

Deferred tax is recognised for all the timing differences and is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and tax credits will be utilised. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable profit available to realise such assets. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(xxii) Segment reporting:

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 36 for segment information presented.

(xxiii) Leases :

Effective from 1st April, 2019, the Company has adopted Ind AS-116 "Lease" retrospectively with the cumulative effect of applying this standard recognise at the date initial application.

Due to the same, the associated right-of-use assets are measured either at the carrying amounts as if the Standard has been applied since the commencement date or at the amount equal to the lease liability are included in and presented as "Right to use Asset" and "Other financial liabilities" respectively on the financial statements.

The right-of-use asset is depreciated over the shorter of the asset 's useful life and the lease term on a straight-line basis. Lease term includes periods of an option to extend the lease if the lessee is reasonably certain to exercise that option and an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Short-term leases for the underlying asset is of low value apply exemption rules of the standards, and recognize the lease payments associated with those leases as an expense mainly on straight-line basis over the lease term.

The cumulative effects due to the application of this standard were recognized on the commencement date of adoption in accordance with the transitional arrangements, the retrospective restatement of prior periods have not been applied.

a) Finance leases:

Assets acquired under lease where the Company has substantially all the risk and rewards of ownership are classified as finance leases. Such assets are capitalised at inception of lease at the lower of fair value or present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

b) Operating leases:

Assets acquired on leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

3. Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide notification no. G.S.R 255(E) dated 23rd March 2022. Given below are the amendments made in brief and their possible impact on the financial statements of the company. The company will apply the amendments from 1 April 2022 being the effective date of the amendments:

- **Ind AS 101 - First-time adoption of Indian Accounting Standards:**

The amendment removes the conflict between the requirements of paragraph D16(a) of Ind AS 101 which provides exemptions where a subsidiary adopts Ind AS later than its parent and the exemptions on cumulative translation differences. The amendment permits the subsidiary to measure cumulative translation differences at the carrying amount included in the parent's consolidated financial statements. Similar exemption is available to associate and joint venture that uses the exemption in paragraph D16(a) of Ind AS 101. Paragraph D16(a) of Ind AS 101 provides that the subsidiary can measure its assets and liabilities at the carrying amounts in parent's consolidated financial statements. The amendment is applicable for entities adopting Ind AS from 1 April 2022. As the company has already adopted Ind AS, there is no impact of this amendment on the company.

- **Ind AS 103 - Business Combinations:**

The amendments are made to enable change of reference to Conceptual Framework for Financial Reporting under Indian Accounting Standards issued by The Institute of Chartered Accountants of India and have no impact on the financial statements of the company. The amendments are applicable for business combinations having acquisition date on or after 1 April 2022.

- **Ind AS 109 - Financial Instruments:**

The amendments clarify that only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf will be included in calculating the discounted present value of the cash flow under the new terms on modification of financial liability. The amendment is applicable for modification / exchange of financial liabilities on or after 1 April 2022. The amendment has no impact on the financial statements of the company.

- **Ind AS 16 - Property, Plant and Equipment:**

The amendment creates a carve-out from IAS 16. IAS 16 requires any sale proceeds and cost of samples produced when testing whether the asset is functioning properly to be recognised in profit or loss whereas the amendment clarifies that the same shall be deducted from the cost of the property, plant and equipment. No transition provisions have been specified and therefore, this amendment shall be applicable retrospectively. The company has been following the practice as clarified by the amendment and hence no impact on the financial statements of the company.

- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:**

The paragraph clarifies what cost needs to be considered in the costs to fulfil a contract while determining whether the contract is onerous. Changes previous practice of considering only incremental costs in the costs to fulfil a contract for determination of onerous contract. Now apart from incremental costs, the costs to fulfil a contract includes an allocation of directly attributable costs. The amendments apply to unfulfilled onerous contracts as on 1 April 2022. As the company does not have any onerous contract, the said amendment has no impact on the financial statements of the company.

- **Ind AS 41 - Agriculture:**

The amendment removes taxation cash flows from paragraph 22 indicating tax cash flows must be included in the fair value less costs to sell. The amendment is applicable to fair value measurements on or after 1 April 2022. Ind AS 41 is not applicable to the company and hence has no impact on the financial statements of the company.

3. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land Leasehold/	Office Building	Factory Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Gross Carrying Value as on 01-04-2020	2.03	160.78	74.50	1,033.37	30.41	157.13	7.02	1,465.25
Addition during the year	-	1.66	2.48	43.50	13.25	11.59	2.09	74.58
Deduction during the year	-	-	3.98	-	-	-	-	3.98
Gross Carrying Value as on 31-03-2021	2.03	162.44	73.00	1,076.88	43.66	168.72	9.11	1,535.85
Addition during the year	55.29	-	-	85.45	0.70	-	2.93	144.37
Deduction during the year	-	-	-	-	-	-	-	-
Work in Progress during the year	-	-	-	-	-	-	-	-
Gross Carrying Value as on 31-03-2022	57.32	162.44	73.00	1,162.33	44.36	168.72	12.04	1,680.22
	-	-	-	-	-	-	-	-
Accumulated depreciation as on 01-04-2020	-	12.03	11.10	259.08	11.81	65.81	4.57	364.39
Addition during the year	-	3.25	3.05	75.07	3.77	22.32	1.54	108.99
Deduction during the year	-	-	0.17	-	-	-	-	0.17
Accumulated depreciation as on 31-03-2021	-	15.27	13.97	334.15	15.58	88.13	6.10	473.21
Addition during the year	-	3.27	2.96	82.31	4.90	20.46	1.72	115.61
Deduction during the year	-	-	-	-	-	-	-	-
Accumulated depreciation as on 31-03-2022	-	18.54	16.93	416.47	20.48	108.59	7.82	588.83
	-	-	-	-	-	-	-	-
Net Carrying Value as on 31-03-2021	2.03	147.17	59.03	742.72	28.08	80.59	3.01	1,062.63
	-	-	-	-	-	-	-	-
Net Carrying Value as on 31-03-2022	57.32	143.90	56.07	745.87	23.88	60.13	4.22	1,091.39

Note 4 : Other Intangible Assets

(₹ in Lakhs)

Particulars	Other Intangible Assets	Total
Gross Carrying Value as on 1-04-2020	0.10	0.10
Addition during the year	Nil	Nil
Deduction during the year		
Gross Carrying Value as on 31-03-2021	0.10	0.10
Gross Carrying Value as on 01-04-2021	0.10	0.10
Addition during the year		
Deduction during the year		
Gross Carrying Value as on 31-03-2022	0.10	0.10
Accumulated depreciation as on 1-04-2020	0.10	0.10
Addition during the year		
Deduction during the year		
Accumulated depreciation as on 31-03-2021	0.10	0.10
Addition during the year	Nil	Nil
Deduction during the year		
Accumulated depreciation as on 31-03-2022	0.10	0.10
Net Carrying Value as on 31-03-2021	Nil	Nil
Net Carrying Value as on 31-03-2022	Nil	Nil

5	Work in Process- Capital Goods (CWIP)	(Rs. In Lacs)		
	Particulars	Office Building	Furniture	Total
	Op. Balance of CWIP	Nil	Nil	Nil
	Addition during the year	4.95	0.07	5.02
	Tr. To Capital assets during the year	-	-	-
	Closing Balance of CWIP	4.95	0.07	5.02

	As at 31/03/2022		As at 31/03/2021	
CWIP aging schedule	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	5.02	Nil	Nil	Nil
1-2 years	Nil	Nil	Nil	Nil
2-3 years	Nil	Nil	Nil	Nil
More than 3 years	Nil	Nil	Nil	Nil
	5.02	-	-	-

6	Non-Current Investments	(₹ in Lakhs)	
		As at 31/03/2022	As at 31/03/2021
	Investment in equity shares at amortised cost		
	Nil (P.Y. 26,500) Share Of Welcome Coir Industries Ltd Of Rs.10/- Each Fully Paid-Up	-	1.60
	Less: Impairment in value of Investments	-	1.53
	Total	-	0.07
	Aggregate amount of quoted investments	-	1.60
	Aggregate market value of quoted investments	-	0.07
	Aggregate amount of impairment in value of investments	-	1.54
6.1	Welcome Coir Industries is company which are showing as struck off under section 248 of the Companies Act, 2013 with whom company had entered into transaction in earlier periods. Gross O/s Balance is Rs. Nil (P.Y. Rs. 1.60 Lacs).		

(₹ in Lakhs)

7	<u>Other Non Current Financial Assets</u>	As at 31/03/2022	As at 31/03/2021
(a)	Security Deposits - Unsecured, considered good	22.93	22.92
(b)	Bank Deposits having maturity of more than 12 Months (Transfer from Other Bank Balance Note No : 12)	1.00	-
	Total	23.93	22.92

(₹ in Lakhs)

8	<u>Other Non Current Assets</u>	As at 31/03/2022	As at 31/03/2021
(a)	Advances For Capital Goods - Unsecured, considered good	1.90	1.83
(b)	Advance Tax & TDS (Net)	74.68	44.63
	Advance Payment Of Income Tax	71.44	44.63
	Less: Provision For Income Tax	3.24	0.00
	Total	5.13	1.83

(₹ in Lakhs)

9	<u>Inventories</u>	As at 31/03/2022	As at 31/03/2021
	Raw materials	1,490.67	665.51
	Work-in-Process	11.24	10.69
	Finished Goods	552.56	649.33
	Stores & Others	2.53	1.04
	Total	2,056.99	1,326.57
9.1	The cost of inventories recognised as an expense during the year was Rs. Nil. (As at March 31, 2021: RS. Nil)		
9.2	Inventory of Raw Material includes material in Transit- as on 31-03-2022 of Rs. 88.41 Lacs (P.Y. Rs. Nil).		

(₹ in Lakhs)

10	<u>Trade receivables</u>	As at 31/03/2022	As at 31/03/2021
	Trade Receivable Considered Good - Secured	-	-
	Trade Receivable Considered Good - Unsecured	2,374.73	1,864.04
	Trade Receivable which have significant increase in Credit Risk	399.31	420.80
	Trade Receivables - credit impaired	11.61	11.61
		2,785.65	2,296.45
	Less: Allowance for doubtful receivables (Expected Credit Loss)	21.67	19.33
		2,763.98	2,277.12

(₹ in Lakhs)

9	<u>Cash and cash Equivalents</u>	As at 31/03/2022	As at 31/03/2021
	Cash on hand	2.17	0.36
	Balances with Banks	4.00	4.34
	Total	6.17	4.70

10.1 Ageing Details
Outstanding as on 31/03/2022

Ageing	Disputed Trade Receivables		Undisputed Trade Receivables	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding Less than 6 Months	Nil	Nil	2,374.74	-
Outstanding Less than 6 Months to 1 Years	Nil	Nil	129.06	-
Outstanding between 1 year to 2 Years	Nil	Nil	238.72	-
Outstanding between 2 year to 3 Years	Nil	Nil	30.31	-
Outstanding More than 3 Years	Nil	11.61	1.22	-
Total	Nil	11.61	2,774.04	-

Outstanding as on 31/03/2021

Ageing	Disputed Trade Receivables		Undisputed Trade Receivables	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding Less than 6 Months	Nil	Nil	1,864.04	-
Outstanding Less than 6 Months to 1 Years	Nil	Nil	88.34	-
Outstanding between 1 year to 2 Years	Nil	Nil	116.55	-
Outstanding between 2 year to 3 Years	Nil	Nil	52.31	-
Outstanding More than 3 Years	Nil	11.61	163.60	-
Total	Nil	11.61	2,284.84	-

10.2 Debts due by Firm or Company in which director is a partner or a director or a member:

Name	O/s as on 31.03.22	O/s as on 31.03.21
Receivables from Related Parties	251.02	234.35

10.3 The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act, 2013.
(₹ in Lakhs)

11	Cash and cash Equivalents	As at 31/03/2022	As at 31/03/2021
	Cash on hand	3.61	2.17
	Balances with Banks	1.35	4.00
	Total	4.96	6.17

(₹ in Lakhs)

12	Other Bank Balances	As at 31/03/2022	As at 31/03/2021
	Margin Money Deposited with Banks	88.08	65.83
	Bank Deposits having maturity of more than 12 Months	1.00	-
	(Less : Transfer to Other Non Current Assets Note No 7)	(1.00)	-
		-	-
	Total	88.08	65.83

12.1 The Company has pledged above deposits with banks and other financial institution as margin money for Bank Guarantees.
(₹ in Lakhs)

13	Other Current Financial Assets	As at 31/03/2021	As at 31/03/2020
	Accrued Interest On Deposits	2.78	2.06
	Total	2.78	2.06

(₹ in Lakhs)

14	Other Current Assets	As at 31/03/2021	As at 31/03/2020
(a)	Advances to Suppliers	56.34	56.61
(b)	Prepaid Expenses	9.14	9.46
(c)	Other Advances	5.11	4.91
(d)	Balances with Statutory Authorities	2.57	1.65
	Total	73.16	72.63

(₹ in Lakhs)

15	Equity Share Capital	As at 31/03/2021	As at 31/03/2020
	[i] Authorised Share Capital: 50,00,000 (P.Y. 50,00,000) Equity Shares of ₹10 each	500.00	500.00
	[ii] Issued, Subscribed & Paid-up Capital: 42,00,000 (42,00,000) Equity Shares of ₹ 10 each fully paid	420.00	420.00
	Total	420.00	420.00

15.1 The company has only one class of shares referred to as Equity shares having face value of ₹ 10/-. Each Holder of equity share is entitled to 1 vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholder.

15.2 Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2022 & 31/03/2021 is set out below:-

Particulars	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amt	No. of Shares	Amt
Shares at the beginning	42.00	420.00	42.00	420.00
Addition	Nil	Nil	Nil	Nil
Deletion	Nil	Nil	Nil	Nil
Shares at the end	42.00	420.00	42.00	420.00

15.3 The details of shareholders holding more than 5% shares is set out below.

Name of Shareholder	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% held	No. of Shares	% held
Vijaykumar D. Agarwal	15.76	37.53%	15.76	37.53%
Ruchira V. Agarwal	1.17	2.78%	1.17	2.78%
Vanita V. Agarwal	0.78	1.85%	0.78	1.85%
Vikas V. Agarwal	1.68	4.00%	1.68	4.00%
Agarwal Shraddha Vishal	1.20	2.86%	1.20	2.86%
Aaditt Vishal Agarwal	2.04	4.85%	2.04	4.85%
Khwaish Vikash Agarwal	1.00	2.38%	1.00	2.38%
Arya Vikas Agarwal	1.94	4.62%	1.94	4.62%
Santoshdevi V. Agarwal	2.47	5.89%	2.47	5.89%
Vishal V. Agarwal	1.38	3.29%	1.38	3.29%

(₹ in Lakhs)			
16	Other Equity	As at 31/03/2022	As at 31/03/2021
(a)	General Reserve		
	Balance as per last financial Statement	23.18	23.18
	Add : Addition during the year	-	-
	Less: Transfer during the year	-	-
	Closing Balance	23.18	23.18
(b)	Surplus/(deficit) in the Statement of Profit and Loss		
	Balance as per last financial Statement	1,415.54	1,275.69
	Add : Profit for the year	202.45	132.93
	Add/(Less): Other Comprehensive income	(0.65)	6.91
	Net Surplus in the statement of profit and loss	1,617.34	1,415.54
	Total	1,640.52	1,438.72

General Reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, and the items included in the general reserve will not be reclassified subsequently to profit or loss.
Retained earnings: The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.
Other Comprehensive Income: The remeasurement gain / (loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.

(₹ in Lakhs)			
17	Non-Current Borrowings	As at 31/03/2022	As at 31/03/2021
	Secured Borrowings		
	Term Loan from Banks	154.76	195.23
	Less : Current maturities of long-term debt	55.50	40.72
	(Less : Transfer to Current Borrowing Note No.20)	99.26	154.51
	Unsecured Borrowings		
	Inter Corporate Deposits	15.24	14.34
	Total	114.50	168.85

17.1	Name of Lender	Security Details	Interest Rate	Terms of Repayment
	LOANS AGAINST VEHICLES	Secured Against Hypothecation of Vehicles	Range from 8% to 11.00%	Repayable in 36 to 67 Monthly Equal instalments
	HDFC BANK LTD-ECLGS TERM LOAN	Extension of second ranking charges over existing primary and collateral securities including mortgages created in favour of the bank.	8.25%	48 Months
	ICICI BANK LTD LOAN A/C LBABD00002922465	Hypothecation against Office buildings.	9.40%	167 Months

17.2 Unsecured Inter-corporate deposits carries interest @ 9.00% and are repayable in F.Y. 2024-25.

17.3 The borrowing from the banks has been used for the specific purpose for which it was taken at the balance sheet date.

17.4 The company has been not declared as willful defaulter by Reserve Bank of India till 31/03/2022.

(₹ in Lakhs)

18	Non Current Provisions	As at 31/03/2022	As at 31/03/2021
	Provision for Employee Benefits		
	For Gratuity (Refer Note No.29.1)	45.40	33.42
	Total	45.40	33.42

(₹ in Lakhs)

19	Deferred Tax Liabilities (Net)	As at 31/03/2022	As at 31/03/2021
	Deferred Tax Liabilities		
	Temporary Difference of Depreciation as per Income Tax Provisions and Companies Act,2013.	126.68	128.86
		126.68	128.86
	Deferred Tax Assets		
	Provision for Expected Credit Loss on Trade Receivables	6.03	5.38
	Dimunition in value of Investments	-	0.43
	Provision for Expenses allowable in subsequent years	15.77	12.11
		21.80	17.92
	Net Deferred Tax Liability	104.88	110.95

	Movements in Deferred Tax Liabilities	Property, Plant and Equipment	Defined benefit obligation	Dimunition in Investments	Provision fordoubtful debts
	At 31st March, 2020	131.43	10.94	0.43	6.02
	Charged/(credited):				
	- to profit or loss(Assets)/Liability	(2.57)	3.84	Nil	(0.64)
	- to other comprehensive income (Assets)/Liability	-	(2.66)	Nil	Nil
	At 31st March, 2021	128.86	12.11	0.43	5.38
	At 31st March, 2020	131.43	10.94	0.43	6.02
	Charged/(credited):				
	- to profit or loss	(2.18)	(3.41)	0.43	(0.65)
	- to other comprehensive income		(0.25)	-	-
	At 31st March, 2022	126.68	(15.77)	-	(6.03)

(₹ in Lakhs)

20	Current Borrowings	As at 31/03/2022	As at 31/03/2021
	Secured Borrowing		
	Working Capital loans From Bank (Repayable on Demand)	1,300.74	1,141.83
	Current maturities of long-term debt	55.50	40.72
	(Less : Transfer from Non-Current Borrowing Note No.17)		
	Unsecured Borrowing		
	Loans from related parties	592.40	529.04
	Total	1,948.64	1,711.59

Security :

Name of Lender	Security	Interest Rate
Workign Capital Loans from HDFC Bank Ltd.	Primary Security against Hypothecation of Inventory, Receivables an other Current Assets of the Company. Collateral Security against Hypothecation of Plant and Machinery, Factory Building and Commercial Office. Personal Gurantees of Mr. Vijaykumar D Agarwal and Mr. Vishal V Agarwal	8.25 to 10.75 % p.a.
Loans from Relatives	Unsecured	9% p.a.

20.2	The borrowing from the banks has been used for the specific purpose for which it was taken at the balance sheet date.
20.3	The company has been not declared as willful defaulter by Reserve Bank of India till 31/03/2022.
20.4	Details in respect of Difference in respect of Current assets as per books and details as provided in quarterly returns filed by the company, the details of the same are as under:

Quart er	Particulars of Security provided to HDFC Bank	Amounts as per books of accounts	Amounts as reported in Quarterly Statement provided to bank	Amount of Difference	Reason for material Discripancies
June' 21	Inventories Debtors Creditors	1,452.50 2,309.43 608.95	1,452.50 2,309.43 615.91	- - (6.96)	- - -
Sept' 21	Inventories Debtors Creditors	1,449.92 2,430.22 626.06	1,449.92 2,430.22 632.21	- - (6.15)	- - -
Dec' 21	Inventories Debtors Creditors	1,715.88 2,623.90 977.34	1,715.88 2,623.90 653.95	- - 323.4	- - -
March' 22	Inventories Debtors Creditors	1,966.05 2,887.25 1,393.75	1,966.05 2,887.25 880.83	- - 512.9	- - -
Quart er	Particulars of Security provided to HDFC Bank	Amounts as per books of accounts	Amounts as reported in Quarterly Statement provided to bank	Amount of Difference	Reason for material Discripancies
June' 20	Inventories Debtors Creditors	1,306.99 2,562.15 1,149.09	1,306.99 2,562.15 802.47	- - 346.6	- - -
Sept' 20	Inventories Debtors Creditors	1,247.87 2,525.21 926.51	1,247.87 2,525.21 658.52	- - 268.0	- - -
Dec' 20	Inventories Debtors Creditors	1,161.83 2,629.48 862.40	1,161.83 2,629.48 659.24	- - 203.2	- - -
March' 21	Inventories Debtors Creditors	1,326.57 2,296.45 612.09	1,326.57 2,296.45 481.02	- - 131.1	- - -

Note:2 Due to Creditors against LC & Buyers Credit are not required to disclosed in stock statement submitted to the bank as per advice & instruction of the bank.

(₹ in Lakhs)			
21	Trade payables	As at 31/03/2022	As at 31/03/2021
	Outstanding dues of Micro enterprise and Small Enterprise	8.94	0.75
	Outstanding dues of creditors other than Micro enterprise and Small Enterprise	1,018.66	486.62
	Total	1,027.60	487.37

21.1 Ageing Details (₹ in Lakhs)

AS on 31.3.2022	MSME Trade Payables		Other than MSME Trade Payables	
	Disputed	Undisputed	Disputed	Undisputed
Outstanding Less than 1 Years	Nil	8.94	-	1,000.20
Outstanding between 1 year to 2 Years	Nil	Nil	-	4.88
Outstanding between 2 year to 3 Years	Nil	Nil	-	2.43
Outstanding More than 3 Years	Nil	0.00	-	11.15
Total	Nil	8.94	-	1,018.66

AS on 31.3.2021	MSME Trade Payables		Other than MSME Trade Payables	
	Disputed	Undisputed	Disputed	Undisputed
Outstanding Less than 1 Years	Nil	0.75	-	459.91
Outstanding between 1 year to 2 Years	Nil	Nil	-	7.75
Outstanding between 2 year to 3 Years	Nil	Nil	-	8.11
Outstanding More than 3 Years	Nil	Nil	-	10.85
Total	Nil	0.75	-	486.62

21.2 The above figures in respect of trade payables include an amount of Rs.106.69 Lacs (P.Y. 131.98 Lacs) payable to Firms and companies in which directors are partner or directors.

21.3 The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act,2013.

21.4 Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below and this has been relied upon by the Auditor.:

(₹ in Lakhs)			
Particulars	As at 31/03/2021	As at 31/03/2020	
The Principal amount remaining unpaid to any supplier as at the year end	8.94	0.75	
Interest due thereon	0.45	0.09	
Amount of interest paid by the Company in terms of section 16 of MSMED Act.	-	-	
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006.	0.40	0.09	
Amount of interest accrued and remaining unpaid at the end of accounting year	0.06	0.00	
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.	0.45	0.09	
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company and the same has been relied by the Auditor.			

			(₹ in Lakhs)
22	<u>Other Current Financial Liabilities</u>	As at 31/03/2022	As at 31/03/2021
	Employee Benefits Payable	118.78	73.16
	Interest Payable	8.73	6.17
	Total	127.51	79.33
23	<u>Other Current Liabilities</u>	As at 31/03/2022	As at 31/03/2021
	Advance received from customers	162.69	159.68
	Creditors for Expenses	373.34	124.72
	Other Statutory dues	30.88	29.20
	Other Payables	7.85	4.84
	Total	574.76	318.44
24	<u>Current Provisions</u>	As at 31/03/2022	As at 31/03/2021
	Provision for Employee Benefits		
	For Gratuity (Refer note no. 29)	11.30	10.12
	Total	11.30	10.12
25	<u>Current Tax Liabilities (Net)</u>	As at 31/03/2022	As at 31/03/2021
	Provision For Income Tax	101.90	70.20
	Less : Advance Payment Of Income Tax	1.59	11.14
	Total	100.31	59.06
26	<u>Revenue from operation</u>	As at 31/03/2022	As at 31/03/2021
	<u>Revenue from Contracts with Customers*</u>		
	<u>Sales of Products</u>		
	Finished Goods	7,026.54	5,281.46
		7,026.54	5,281.46
	<u>Other Operating Revenue</u>		
	Export Benefit / Duty Drawback Received	134.43	53.28
	Scrap Sales	9.64	8.91
	Total	7,170.61	5,343.65
	* Revenue from Contracts with Customers is after providing discounts related to Sale of products		
	<u>Sale of Product</u>		
	Finished Goods	7,190.46	5,393.82
	Export Benefit / Duty Drawback Received	134.43	53.28
	Scrap Sales	9.64	8.91
		7,334.53	5,456.01
	Less: Discount / Rate Difference	163.93	112.36
	Total Sale of Product	7,170.61	5,343.65

			(₹ in Lakhs)
27	<u>Other Income</u>	As at 31/03/2022	As at 31/03/2021
	Interest Income from deposits	3.66	4.16
	Insurance Claim Received	0.74	7.01
	Foreign Exchange Fluctuation (Net)	36.84	2.76
	Provision for Investment W/back	1.54	-
	Total	42.78	13.93
28	<u>Cost of Materials Consumed</u>		(₹ in Lakhs)
		As at 31/03/2022	As at 31/03/2021
	Inventory at the beginning of the year	665.51	521.06
	Add: Purchase (Net)	5,318.77	3,406.37
	Less: Inventory at the end of the year	1,490.67	665.51
	Cost of Materials Consumed	4,493.61	3,261.92
29	<u>Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade</u>	As at 31/03/2022	As at 31/03/2021
	Inventory at the beginning of the year		
	Work-in-process	10.69	5.25
	Finished Goods	649.33	800.23
		660.02	805.48
	Inventory at the end of the year		
	Work-in-process	11.24	10.69
	Finished Goods	552.56	649.33
		563.80	660.02
	Decretion / (Accretion) to Stock	96.23	145.46
	<u>Details of Inventory</u>		
	Finished Goods		
	Laminated Sheets	551.92	639.09
	Industrial Insulation	0.64	10.24
		552.56	649.33
	Work in Progress		
	Laminated Sheets	11.24	10.69
		11.24	10.69
30	<u>Employee Benefit Expense</u>	As at 31/03/2022	As at 31/03/2021
	Salary, Wages & Bonus	560.31	475.54
	Managerial Remuneration	119.92	87.32
	Contribution to Provident Fund & Other Funds	33.54	26.06
	Total	713.76	588.93

30.1 Ind AS 19 the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2022.

(₹ in Lakhs)

A. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognised in the balance sheet as Follows:

Particulars		Projected Unit Credit Method	
Period Covered		2021-22	2020-21
A.	Change in defined benefit obligation	31-03-2022	31-03-2021
1.	Defined benefit obligation at beginning of period	90.08	83.03
2.	Service cost		
	a. Current service cost	10.12	11.64
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
3.	Interest expenses	4.09	4.52
4.	Cash flows	Nil	Nil
	a. Benefit payments from plan	Nil	Nil
	b. Benefit payments from employer	Nil	Nil
	c. Settlement payments from plan	Nil	Nil
	d. Settlement payments from employer	Nil	Nil
5.	Remeasurements		
	a. Effect of changes in demographic assumptions	-	(1.53)
	b. Effect of changes in financial assumptions	(2.02)	2.78
	c. Effect of experience adjustments	3.58	(10.36)
6.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
7.	Defined benefit obligation at end of period	105.85	90.08
B.	Change in fair value of plan assets	31-03-2022	31-03-2021
1.	Fair value of plan assets at beginning of period	46.55	43.73
2.	Interest income	1.94	2.36
3.	Cash flows		
	a. Total employer contributions	Nil	Nil
	(i) Employer contributions	Nil	Nil
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	Nil	Nil
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	0.67	0.46
5.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
6.	Fair value of plan assets at end of period	49.15	46.55
C.	Amounts recognized in the statement of financial position	31-03-2022	31-03-2021
1.	Defined benefit obligation	105.85	90.08
2.	Fair value of plan assets	(49.15)	(46.55)
3.	Funded status	56.70	43.53
4.	Effect of asset ceiling	-	-
5.	Net defined benefit liability (asset)	56.70	43.53

D.	Components of defined benefit cost	31-03-2022	31-03-2021
1.	Service cost		
	a. Current service cost	10.12	11.64
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
	d. Total service cost	10.12	11.64
2.	Net interest cost		
	a. Interest expense on DBO	4.52	4.04
	b. Interest (income) on plan assets	1.94	2.36
	c. Interest expense on effect of (asset ceiling)	-	-
	d. Total net interest cost	2.15	2.16
3.	Remeasurements (recognized in other comprehensive income)	-	-
	a. Effect of changes in demographic assumptions	-	(1.53)
	b. Effect of changes in financial assumptions	(2.02)	2.78
	c. Effect of experience adjustments	3.58	(10.36)
	d. (Return) on plan assets (excluding interest income) *	(0.67)	(0.46)
	e. Changes in asset ceiling (excluding interest income)	-	-
	f. Total Remeasurements included in OCI	0.90	(9.58)
4.	Total defined benefit cost recognized in P&L and OCI	13.17	4.22
E.	Re-measurement	31-03-2022	31-03-2021
	a. Actuarial Loss/(Gain) on DBO	Nil	Nil
	b. Returns above Interest Income	Nil	Nil
	c. Change in Asset ceiling	Nil	Nil
	Total Re-measurements (OCI)	Nil	Nil
F.	Employer Expense (P&L)	31-03-2022	31-03-2021
	a. Current Service Cost	10.12	11.64
	b. Interest Cost on net DBO	2.15	2.16
	c. Past Service Cost	-	-
	d. Total P&L Expenses	12.27	13.80
G.	Net defined benefit liability (asset) reconciliation	31-03-2022	31-03-2021
1.	Net defined benefit liability (asset)	43.53	39.31
2.	Defined benefit cost included in P&L	12.27	13.80
3.	Total Remeasurements included in OCI	0.90	(9.58)
4.	a. Employer contributions	Nil	Nil
	b. Employer direct benefit payments	Nil	Nil
	c. Employer direct settlement payments	Nil	Nil
5.	Net transfer	Nil	Nil
6.	Net defined benefit liability (asset) as of end of period	56.70	43.53
H.	Significant actuarial assumptions	31-03-2022	31-03-2021
1.	Discount rate Current Year	0.06	0.06
2.	Discount rate Previous Year	Nil	Nil
3.	Salary increase rate	0.07	0.07
4.	Attrition Rate	5% at all ages	5% at all ages
5.	Retirement Age	60.00	60.00
6.	Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
7.	Disability	Nil	Nil

I.	Expected cash flows for following year	31-03-2022	31-03-2021
1.	Expected employer contributions / Addl. Provision Next Year	11.30	10.12
2.	Expected total benefit payments		
	Year 1	32.82	35.49
	Year 2	10.71	7.77
	Year 3	15.33	7.69
	Year 4	13.63	10.97
	Year 5	8.47	9.88
	Next 5 years	39.02	31.11
J.	Defined benefit obligation at end of period	31-03-2022	31-03-2021
	Current Obligation	11.30	10.12
	Non-Current Obligation	45.40	33.42
	Total	56.70	43.53
	SUMMARY		
	Assets / Liabilities	31-03-2022	31-03-2021
1.	Defined benefit obligation at end of period	56.70	43.53
2.	Fair value of plan assets at end of period	49.15	46.55
3.	Net defined benefit liability (asset)	7.55	(3.01)
4.	Defined benefit cost included in P&L	12.27	13.80
5.	Total Remeasurements included in OCI	0.90	(9.58)
6.	Total defined benefit cost recognized in P&L and OCI	13.17	4.22

(₹ in Lakhs)			
31	Finance Costs	As at 31/03/2022	As at 31/03/2021
	Interest Paid to Bank	76.72	81.86
	Interest Paid to Others	50.31	62.92
	Other borrowing cost	38.06	11.57
	Total	165.10	156.35
			(₹ in Lakhs)
32	Depreciation And Amortisation Expense	As at 31/03/2022	As at 31/03/2021
	Depreciation of Property, Plant and Equipment	115.61	108.99
	Amortisation of Intangible Assets	Nil	Nil
	Total	115.61	108.99
			(₹ in Lakhs)
33	Other Expenses	As at 31/03/2022	As at 31/03/2021
	Stores & Spares consumed	14.86	22.82
	Packing Material Consumed	85.23	48.68
	Electricity & Fuel charges	305.54	202.35
	Repairs To:		
	Building	0.13	0.48
	Machinery	51.06	51.07
	Other	3.45	4.51
	Total	54.64	56.06
	Insurance	17.53	13.41
	Rent,Rates & Taxes	32.70	28.83

Stationery & Printing	6.23	2.35
Advertisement & Sales Promotion Expense	181.17	174.40
Telephone and Postage	17.24	21.33
Traveling & Conveyance Expense	47.25	17.99
Professional Fees	23.90	16.48
Freight & Delivery charges	422.78	142.24
Auditor's Remuneration:		
For Audit Fees	2.75	2.75
For Certification	-	0.02
Total	2.75	2.77
Allowance for Bad & Doubtful Debts (ECL)	2.34	-2.30
Investment W/off	1.60	-
Loss / (Profit) on Discarded of Property, Plant & Equipment(Net)	-	3.81
Bad Debts Written Off	43.66	84.16
Donation	13.11	8.16
Security Charges	22.82	15.57
General Charges	43.85	40.14
(including License Fees, Office & Misc. Expenses, Admn. Charges, Service and water charges services)		
Total	1,339.21	899.26

(₹ in Lakhs)

34	<u>Income tax recognised in profit or loss</u>	As at 31/03/2022	As at 31/03/2021
	Current tax	92.00	64.00
	Tax expense related to prior year	1.24	5.53
		93.24	69.53
	Deferred tax liability / (assets)	(5.82)	(5.77)
		(5.82)	(5.77)
	Total	87.43	63.75
	Income tax reconciliation		
	Particulars	As at 31/03/2022	As at 31/03/2021
	Profit before tax	289.88	196.68
	Tax expenses reported during the year	87.43	63.75
	Income tax expenses calculated at 27.62%	80.64	54.72
	Difference	6.78	9.04
	Permanent disallowances	5.21	3.13
	Prior Period tax	1.24	5.53
	Other Items	0.32	0.38
	Total	6.78	9.04
			(₹ in Lakhs)
35	<u>Statement of Other Comprehensive Income</u>	As at 31/03/2022	As at 31/03/2021
	(i) Items that will not be reclassified to profit and loss		
	Remeasurement of defined benefit plans		
	Actuarial gain/(loss)	(0.90)	9.58

(ii) Income tax relating to these items that will not be reclassified to profit and loss		
Deferred tax impact on actuarial gain/(loss)	0.25	(2.66)
Total	-0.65	6.91

(₹ in Lakhs)				
36	<u>Earning per Share</u>	<u>Unit</u>	<u>As at</u> <u>31/03/2022</u>	<u>As at</u> <u>31/03/2021</u>
	Profit Attributable to Equity Share Holders from Continuing Operations (Profit after Tax)	Rs. In Lacs	202.45	132.93
	Weighted average No. of shares used as denominator for calculating Basic and Diluted	Numbers	42.00	42.00
	Nominal Value of Share	Rs.	10.00	10.00
	Basic and Diluted Earnings per Share	Rs.	4.82	3.16

37 Separate File
Related Party Transaction Take print from that file
38 Contingent liabilities & Commitments

- Disputed Demand of Income Tax of Rs. 16.62 Lacs (P.Y. Rs. 9.14 Lacs) against which company had filed rectification applications and the same are not disposed by the Income Tax Department.
- Claims against the company by Vendor not acknowledgement as debt of Rs. Nil (P.Y. Rs. 10.65 Lacs)
- Letter of Credit Outstanding on the balance sheet date is for Rs. 208.43 Lacs (P.Y. Rs. 59.73 Lacs)
- Bank Guarantee given by Bank to Custom Department Rs. 5.25 Lacs. (P.Y. Rs. 5.25 Lacs).
- Capital Commitment of Rs. 1.89 Lacs (P.Y. 1.83 Lacs) for which company has paid Rs. 1.89 Lacs (P.Y. 1.83 Lacs) which are shown under "Other Non-Current Assets".

39 Segment Reporting

The Company's management, consisting of the chief executive officer, the chief financial officer and the manager for corporate planning, monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and accordingly, based on the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments" and in the opinion of management the Co. is primarily engaged in the business of Decorative Laminated Sheets. All other activities of the Co. revolve around the main business and as such there is no separate reportable business segment.

The operations of the company are confined to India as well as outside India with export contributing to 33.11 % (P.Y. 22.21 %) of annual turnover. Hence in view of the management India and exports market represents different geographical segment.

(₹ in Lakhs)
Secondary segment information for the year ended 31st March, 2022.

Particulars	India	Outside India	Total Rs.
Revenue by Geographical Market	4,712.99 (4,156.87)	2,313.55 (1,186.78)	7,026.54 (5,343.65)
Carrying Amount of Segment Assets (Non current assets)	1,124.97 (1,085.61)	- -	1,124.97 (1,085.61)

Details of customer contributing 10% or more of total revenue:

Particulars	2021-22	2020-21
No. of customers contributing 10% or more of total revenue (individually)	01	Nil
Amount of revenue	7,170.61	5,343.65
% of total revenue	Nil	Nil

(₹ in Lakhs)

40 Remuneration to directors :

Sr. No.	Particulars	2021-22	2020-21
1	Salary & Bonus	108.00	78.00
2	Perquisites	11.92	9.32
	Total	119.92	87.32
3	Contribution to Provident Fund	3.57	2.95
	Total	123.49	90.27

41 Details in respect of Analytical Ratios of the Company

Sr. No.	Particulars	Numerator Description	Denominator Description	For the Year 2021-22			For the Year 2020-21			% of Variance	Reason for Variance
				Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
1	Current Ratio	Current Assets	Current Liabilities	4,989.95	3,790.12	1.32	3,750.38	2,665.91	1.41	-6.41%	-
2	Debt - Equity Ratio	Total Debts	Shareholders Equity	2,063.14	2,060.52	1.00	1,880.43	1,858.72	1.01	-1.03%	-
3	Debt Service Coverage Ratio	Earning available for Debt services	Debt Service	483.16	2,063.14	0.23	402.08	1,880.43	0.21	9.52%	-
4	Return on Equity Ratio	PAT Less Preference Dividend	Average of Shareholder Funds	202.45	1,959.62	0.10	132.93	1,788.80	0.07	39.03%	Since during the year Export Sales increase and also Cost of production has reduce so that the PAT has increase as compare to last year.
5	Inventory turnover Ratio	COGS	Average Inventory	4,589.84	1,691.78	2.71	3,407.38	1,327.46	2.57	5.70%	-
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Trade Receivables	7,036.18	2,520.55	2.79	5,290.37	2,384.73	2.22	25.83%	-
7	Trade payables turnover Ratio	Net Credit Purchase	Average Trade Creditors	5,318.77	757.49	7.02	3,406.37	755.68	4.51	55.77%	Increase in Creditors due to purchase during last 4 to 5 months increase as compared to previous period
8	Net Capital turnover Ratio	Net Sales	Working Capital	7,036.18	1,199.83	5.86	5,290.37	1,084.97	4.88	20.27%	-
9	Net Profit Ratio	Net Profit	Net Sales	202.45	7,036.18	0.03	132.93	5,290.37	0.03	14.51%	-
10	Return on Capital employed	PBIT	Capital Employed	445.07	2,060.52	0.22	346.83	1,858.72	0.19	15.76%	-
11	Return on investment (Capital Gain Method on Face Value)	Share Price at the end of day Less share price on the beginning of day	share price on the beginning of day	16.50	24.50	0.67	13.50	11.00	1.23	-45.12%	Its based on Trading Price at BSE and Face Value of Shares. Because performance of company increase since last 2 years. But share price increase higher in last year as compared to current year.

39 Fair Value Measurements

Financial instrument by category and their fair value

(₹ in Lakhs)

As at 31st March, 2022	Note Reference	Carrying Amount				Fair Value			
	No.	FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Non Current Investments	6	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trade Receivables	10	Nil	Nil	2,763.98	2,763.98	Nil	Nil	2,763.98	2,763.98
Cash and Cash Equivalents	11	Nil	Nil	4.96	4.96	Nil	Nil	4.96	4.96
Other Bank Balances	12	Nil	Nil	88.08	88.08	Nil	Nil	88.08	88.08
Other Financial Assets									
Non Current	8	Nil	Nil	5.13	5.13	Nil	Nil	5.13	5.13
Current	13	Nil	Nil	2.78	2.78	Nil	Nil	2.78	2.78
Total Financial Assets		Nil	Nil	2,864.94	2,864.94	Nil	Nil	2,864.94	2,864.94
Financial Liabilities									
Borrowings									
Non Current	17	Nil	Nil	114.50	114.50	Nil	Nil	114.50	114.50
Current	20	Nil	Nil	1,948.64	1,948.64	Nil	Nil	1,948.64	1,948.64
Other Financial Liabilities									
Current	22	Nil	Nil	127.51	127.51	Nil	Nil	127.51	127.51
Trade Payables	21	Nil	Nil	1,027.60	1,027.60	Nil	Nil	1,027.60	1,027.60
Total Financial Liabilities		Nil	Nil	3,218.26	3,218.26	Nil	Nil	3,218.26	3,218.26

As at 31st March, 2021	Note Reference	Carrying Amount				Fair Value			
	No.	FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Non Current Investments	6	Nil	Nil	0.07	0.07	Nil	Nil	0.07	0.07
Trade Receivables	10	Nil	Nil	2,277.12	2,277.12	Nil	Nil	2,277.12	2,277.12
Cash and Cash Equivalents	11	Nil	Nil	6.17	6.17	Nil	Nil	6.17	6.17
Other Bank Balances	12	Nil	Nil	65.83	65.83	Nil	Nil	65.83	65.83
Other Financial Assets									
Non Current	8	Nil	Nil	1.83	1.83	Nil	Nil	1.83	1.83
Current	13	Nil	Nil	2.78	2.06	Nil	Nil	2.06	2.06
Total Financial Assets		Nil	Nil	2,353.81	2,353.08	Nil	Nil	2,353.08	2,353.08
Financial Liabilities									
Borrowings									
Non Current	17	Nil	Nil	168.85	168.85	Nil	Nil	168.85	168.85
Current	20	Nil	Nil	1,711.59	1,711.59	Nil	Nil	1,711.59	1,711.59
Other Financial Liabilities									
Current	22	Nil	Nil	79.33	79.33	Nil	Nil	79.33	79.33
Trade Payables	21	Nil	Nil	487.37	487.37	Nil	Nil	487.37	487.37
Total Financial Liabilities		Nil	Nil	2,447.14	2,447.14	Nil	Nil	2,447.14	2,447.14

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels

prescribed is as under:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no transfers between the levels during the year

Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -

1. Quoted price in the primary market (NAV) considered for the fair valuation of the current investment i.e Mutual fund. Gain / (loss) on fair valuation is recognised in profit and loss.

2. The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/ receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.

43 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- I Credit Risk
- II Liquid Risk
- III Market Risk

Risk Management Framework

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables), cash and cash equivalents and other financial instruments. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating

to the customer credit risk management. Outstanding customer receivables are regularly monitored and taken up on case to case basis. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit scores of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management team on a regular basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in largely independent markets. "The credit risk on cash and bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintain its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. "The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. "On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The provision for doubtful debts including ECL allowances for non-collection of receivables and delay in collection, on a combined basis, was ₹ 19.33 lakhs as at March, 2021 and ₹ 21.63 lakhs as at March 31, 2020. The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

ii) Movement in expected credit loss allowance

(₹ in Lakhs)

	As at 31/03/2022	As at 31/03/2021
The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix, which takes into account historical credit loss experience. The expected credit loss (ECL) allowance is based on total receivables that are due and the rate given in provisional matrix. The provisional matrix at the end of the reporting period is as follows:		
ECL %	0.95	0.85
Balance at the beginning of the year	19.33	21.63
Add : Allowance made during the year	2.34	-
Less : Reversal of allowance made during the year	-	(2.30)
Amount written off	-	-
Balance at the end of the year	21.67	19.33

II Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintainance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. (₹ in Lakhs)

31.03.2022	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	5 years and Above	Total
Financial Liabilities						
Non Current Borrowings	114.50	-	72.95	31.79	9.76	114.50
Current Borrowings	1,948.64	1,948.64	-	-	-	1,948.64
Trade Payables	1,027.60	1,027.60	-	-	-	1,027.60
Current financial liabilities	127.51	127.51	-	-	-	127.51
Total	3,218.26	3,103.76	72.95	31.79	9.76	3,218.26

(₹ in Lakhs)

31.03.2021	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	5 years and Above	Total
Financial Liabilities						
Non Current Borrowings	168.85	-	127.30	31.79	9.76	168.85
Current Borrowings	1,711.59	1,711.59	-	-	-	1,711.59
Trade Payables	487.37	487.37	-	-	-	487.37
Current financial liabilities	79.33	79.33	-	-	-	79.33
Total	2,447.14	2,278.29	127.30	31.79	9.76	2,447.14

III Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

- a) **Currency Risk**
- b) **Interest Risk**
- c) **Price Risk**
- a) **Currency Risk**

'The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. Company is exposed to currency risk on account of payables and receivables in foreign currency. Since the average exports account only for 22.62 % of total sales this is not perceived to be a major risk. The average imports account for 40.93 % of total purchases.

Derivative instruments and unhedged foreign currency exposure

i) Particulars of unhedged foreign currency exposures at the reporting date

(₹ in Lakhs)

Particulars	Currency	As at 31/03/2022	As at 31/03/2021
a) Trade Receivables (Against Export)	USD	9.16	0.96
	INR	695.64	66.95
	EURO	0.80	-
	INR	67.25	-
b) Advance given to Import Creditors	USD	0.16	0.04
	INR	12.47	2.83
	EURO	0.14	-
	INR	11.40	-
c) Trade Payables (Against import - including capital import)	USD	0.89	0.12

	INR	66.48	8.09
	EURO	2.12	0.01
	INR	178.61	0.57
	JPY	-	0.97
	INR	-	0.69
d) Advance received from export debtors	USD	1.49	0.85
	INR	111.95	61.85
e) Secured Current Borrowings (Against buyers credit)	USD	7.19	5.66
	INR	545.89	414.22
	EURO	0.58	1.01
	INR	48.56	87.08
	JPY	37.74	28.62
	INR	23.60	18.94
f) Secured Current Borrowings (Against PCFC)	USD	1.70	0.71
	INR	129.03	51.47
Net Statement of Financial Exposure	USD	(1.96)	(6.34)
	INR	(145.23)	(465.85)
	EURO	(1.76)	(1.02)
	INR	(148.53)	(87.65)
	JPY	(37.74)	(29.59)
	INR	(23.60)	(19.62)
Total INR		(317.36)	(573.13)

iii) Foreign Currency Risk Sensitivity

The sensitivity of profit and loss due to changes in the exchange rates arises mainly from non derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD, EURO, GBP currencies). The below sensitivity does not include the impact of forward exchange contracts. **A change of 5% in Foreign currency would have following Impact on profit before tax**

(₹ in Lakhs)

<u>Particulars</u>	2021-22		2020-21	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(7.26)	7.26	(23.29)	23.29
EURO	(7.43)	7.43	(4.38)	4.38
JPY	(1.18)	1.18	(0.98)	0.98
Total	(15.87)	15.87	(28.66)	28.66

b) Interest Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

i) Exposure to interest rate risk

(₹ in Lakhs)

<u>Particulars</u>	As at 31/03/2022	As at 31/03/2021
<u>Fixed Rate Instruments</u>		
Financial liabilities		
Non Current	42.96	55.23
Current	-	-
Total	42.96	55.23
<u>Variable Rate Instruments</u>		
Financial liabilities		
Non Current	114.50	168.85
Current	1,948.64	1,711.59
Total	2,063.14	1,880.43

The outstanding position of borrowings at variable interest rate along with proportion of total loans is given below:

(₹ in Lakhs)

<u>Particulars</u>	As at 31/03/2022	As at 31/03/2021
Total Borrowings	2,106.09	1,935.66
% of Borrowings out of above bearing variable rate of interest	97.96%	97.15%

ii) Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(₹ in Lakhs)

<u>Particulars</u>	2021-22	2020-21
50bp increase would decrease the profit before tax by	10.32	9.40
50bp increase would increase the profit before tax by	(10.32)	(9.40)

c) Price Risk

As of 31st March 2022, the company has nil exposure on security price risks.

44 Capital management

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

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.

(₹ in Lakhs)

<u>Particulars</u>	As at 31/03/2022	As at 31/03/2021
Debt	2,063.14	1,880.43
Cash and bank balances	(93.04)	(72.01)
Net debt	1,970.10	1,808.42
Equity	2,060.52	1,858.72
Net debt to equity ratio	96.00%	97.00%

45 Asset Pledge as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

(₹ in Lakhs)

	Particulars	31/03/2022	31/03/2021
I	Current Financial Assets		
	First Charge/ Floating Charge		
	Trade Receivables	2,763.98	2,277.12
II	Current Assets		
	First Charge/ Floating Charge		
	Inventories	2,056.99	1,326.57
	Total current assets pledged as security	4,820.97	3,603.69
III	Non Current Assets		
	Collateral Security		
	Building, Plant and Equipments	874.66	877.98

46 During the year under Consideration the company has not traded or invested in crypto currency or virtual currency.

47 There is not change which are pending for satisfaction with registrar of companies beyond the statutory period.

48 The financial statement are approved for issue by the Audit Committee as at its meeting on 26th May, 2022 and by the Board of Directors on 26th May, 2022.

49 The board has recommended dividend of Rs. Nil per share which is subject to approval of shareholders in the ensuing Annual General Meeting.

Signature to notes "1" to "49"

As per our report of even date attached herewith

For, Deco Mica Limited

For, Samir M Shah & Associates

Chartered Accountants

(Firm Regd. No. 122377W)

(Vijaykumar D. Agarwal)
Managing Director & CEO
(DIN - 01869337)

(Vishal V. Agarwal)
Director & CFO
(DIN - 01763739)

[Sneha Jethani]
Partner
(M.No.160932)

(Siddhi Shah)
Company Secretary
(ACS No. 44885)

Place : Ahmedabad

Date : 29.05.2022

Book-Post

If undelivered please return to :
DECO-MICA LIMITED
306, ISCON Mall, Star bazaar building,
Jodhpur Char Rasta, Ahmedabad-15