S.J.S. Enterprises Limited
(Formerly known as S.J.S. Enterprises Private Limited)
Sy No 28/P16 of Agra Village and Sy No 85/P6
of B.M Kaval Village Kengeri Hobli Bangalore 560082
P: +91 80 6194 0777 F: +91 80 28425110
Email Id: info@sjsindia.com, compliance@sjsindia.com

ISO 14001 ISO 45001
ISO 9001 IATF 16949
Certified
CIN: L51909KA2005PLC036601
www.sjsindia.com

Creating Possibilities

August 08, 2023

To,

National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai -400 051 **Symbol: SJS**	**BSE Limited** Corporate Relationship Department, 2nd Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street, Mumbai – 400 001 **Scrip Code: 543387**

ISIN: INE284S01014

Dear Sir/Madam,

Subject: Annual Report - FY 2022-23

In compliance with the Companies Act, 2013, rules framed thereunder and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed the Annual Report for the Financial Year 2022-23.

The said Annual Report is available on the website of the Company at https://www.sjsindia.com/

Request you to kindly take the above on record.

Thank you,

Yours faithfully,
For S.J.S. Enterprises Limited

THABRAZ HUSHAIN WAJID AHMED
Digitally signed by THABRAZ HUSHAIN WAJID AHMED
Date: 2023.08.08 15:39:18 +05'30'

Thabraz Hushain W.
Company Secretary & Compliance Officer
Membership No.: A51119

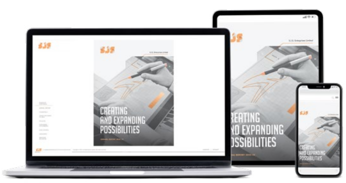
Encl: As mentioned above

S.J.S. Enterprises Limited

CREATING AND EXPANDING POSSIBILITIES

ANNUAL REPORT 2022-23

CONTENTS



To view

Annual Report 2022-23 Online,
https://www.sjsindia.com/investors.html#annual-report

Forward-looking statement

This Report contains some forward-looking statements to enable investors to comprehend our prospects and take wise investment decisions, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified that information independently and shall not be liable for any variance from the forward-looking statements.

CREATING AND EXPANDING POSSIBILITIES

Being the market leader in the niche decorative aesthetics business, SJS has always been driven by passion and excellence. Our business model and diversification strategy is our biggest differentiator, and has enabled us to consistently outperform the underlying industries. Our robust in-house design and engineering capabilities, well-entrenched customer relationships, strong operating leverage, and successful track record of new product development and commercialisation have supported our growth trajectory.

We take pride in how seamlessly your Company's journey and market leadership infused in it the much-needed confidence to stay optimistic, even in challenging circumstances. With this mindset, SJS intends to identify and expand possibilities for translating potential opportunities into growth through right strategy and investments.

We have set robust growth plans to enable SJS to reach newer heights. We endeavour to increase global presence with higher exports, add new customers, build mega accounts with key customers, and venture into new-generation, futuristic products to stay ahead of the technology curve. On the inorganic front, we pursue strategic acquisitions and collaborations to boost revenue growth and market share.

EXCITING TIMES ARE LYING AHEAD AT SJS, AND WE UNWAVERINGLY FOCUS ON PUSHING OUR BOUNDARIES AND EXPANDING POSSIBILITIES FOR DRIVING ACCELERATED GROWTH AND VALUE CREATION.

ABOUT SJS ENTERPRISES

SJS Enterprises is one of the leading players in the Indian decorative aesthetics industry. We are an end-to-end 'design to delivery' aesthetics solutions provider with the capability to customise, design, develop, and manufacture a wide array of products for the world's leading automobile and consumer appliances companies. We also manufacture products for commercial vehicles, medical devices, farm equipment, and sanitaryware industries.

OUR VISION

To increase the perceived and experienced value of objects and interfaces, through cutting-edge design and printing technologies.

OUR MISSION

To deliver desire. To play with colours, materials, textures, and most of all, possibilities. To make things that are visually exciting. Sensorially pleasing. Delightfully intuitive. To be the best in the business of aesthetic and functional industrial graphic parts, using specialised design and printing technologies.

Our Certifications

SJS

ISO 9001 | IATF 16949 | ISO 14001

OHSAS 18001 | ISO 45001 | LEED Gold Certified

Exotech

IATF 16949 | ISO 14001

Our Subsidiary

Our subsidiary, Exotech Plastics is engaged in manufacturing chrome-plated and painted injection moulded plastic parts for two-wheelers (2W), passenger vehicles (PV), consumer durables, farm equipment, and sanitaryware industries. Its products are sold in 60 locations across India.

Our Business Differentiators

Established market leader in attractive business segment	Operating in the high value-added aesthetics market across multiple consumer-oriented industries with increased focus on aesthetics and premiumisation
Differentiated and comprehensive product portfolio	Leading edge technologies and a wide product suite including decals, appliques/dials, overlays, logos/3D lux, aluminium badges, in-mould decoratives (IMD), chrome-plating, optical plastics and lens mask covers for diverse applications (include chrome-plating also)
Rich legacy of technology and innovation	Strong in-house design and engineering capabilities and innovation track record across products, technologies and materials supported by a dedicated NPD team
Entrenched customer relationships	Partner, co-creator, and supplier of choice to several leading OEMs with a dominant share of business in India and focussed strategy to increase global presence. In India, SJS supplies directly or indirectly to: • All Top 7 Two-Wheeler OEMs • 9 of Top 10 Passenger Vehicle OEMs • 5 of Top 10 Consumer Appliances OEMs
Well-invested, lean operations	Strong manufacturing footprint with 2 facilities in Bengaluru and Pune and global distribution capabilities to support future growth

Key Facts

6,700+
SKUs

22
Countries exported to

136 MN
Total parts supplied

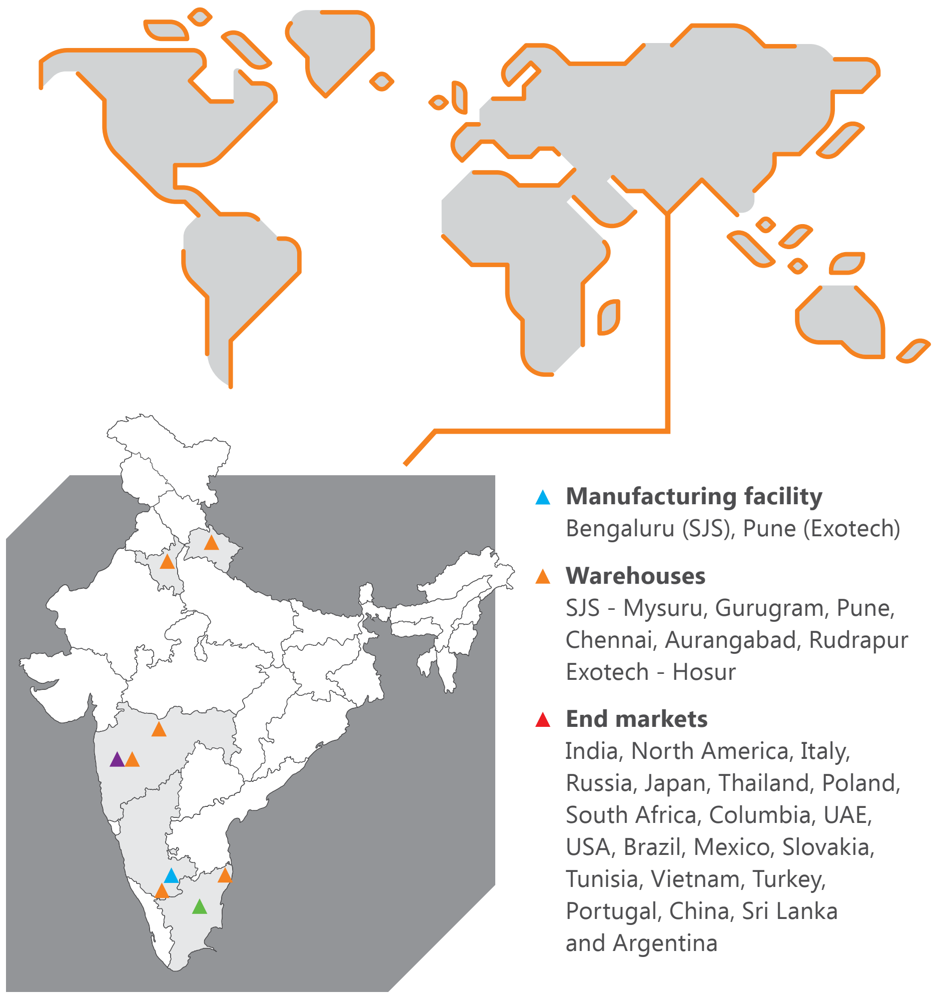
175+
Customer locations

~2,000
Employees

11
Products offered across seven end segments

19 YEARS
Average length of relationship with 10 largest customers

GLOBAL FOOTPRINT



Manufacturing facility
Bengaluru (SJS), Pune (Exotech)

Warehouses
SJS - Mysuru, Gurugram, Pune, Chennai, Aurangabad, Rudrapur
Exotech - Hosur

End markets
India, North America, Italy, Russia, Japan, Thailand, Poland, South Africa, Columbia, UAE, USA, Brazil, Mexico, Slovakia, Tunisia, Vietnam, Turkey, Portugal, China, Sri Lanka and Argentina

Our Marquee Clientele

We take pride in our ability to build long-term relationships with some of the world's pioneering brands.

Auto OEMs

TVS, M&M, Honda, Bajaj, Royal Enfield, John Deere, Volkswagon, Suzuki, Tata Motors, Stellantis India, Skoda India, Foxconn

Tier 1 Auto Component Supplier

Visteon, Marelli, Continental, Mindarika, Jayushin, Pricol

Consumer Durable Players

Whirlpool, Samsung, Godrej, Eureka Forbes, Panasonic, Mabe Group, IFB Industries

Others

Sensacore, Geberit, Roca, Litemed

OUR DIVERSIFIED PRODUCT MIX

Our product portfolio is designed to provide better value proposition for our customers. We leverage our unique design and product development capabilities to produce products that cater to the fast-growing premiumisation trend across the automotive and consumer appliances industries.

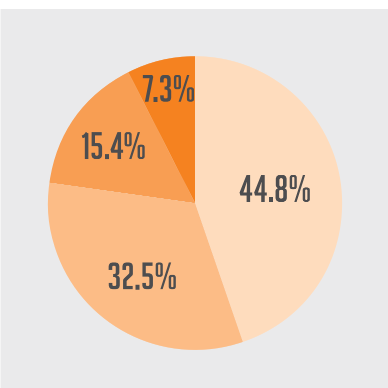
We have the widest portfolio across 11 product categories, which enables us to serve seven end-segments including two-wheelers, passenger vehicles, commercial vehicles, consumer durables, farm equipment, medical devices, and sanitary ware.

Our Product Portfolio

DECALS AND BODY GRAPHICS

Decals and graphics are used in two-wheelers and passenger vehicles and are applied to the body of a vehicle to enhance its appearance.

Revenue break-up



(as on 31 March 2023)

- Two-wheeler
- Passenger vehicles
- Consumer appliances
- Others

2D APPLIQUES AND DIALS

2D appliques and dials are used in two-wheelers and passenger vehicles as speed or revolutions-per minute ("RPM") indicators in speedometer clusters.

3D APPLIQUES AND DIALS

New generation vehicles use aesthetically superior 3D appliques and dials. Our Company is an exclusive supplier of these products to top Korean passenger vehicle OEMs in India.

DOMES

Domes are typically used in two-wheelers and passenger vehicles and consumer appliances to showcase a customer's logo or brand with special embossing effects and can be featured in different colours and shapes.

3D LUX BADGES

3D lux badges are complex products with different finishes, colours, shapes, and curvatures typically used in two-wheelers and passenger vehicles to showcase a customer's logo or brand.

Our Product Portfolio

OVERLAYS

Overlays are used in consumer appliances control panels and work as the interface between users and machines.

ALUMINIUM BADGES

Aluminium badges are used in two-wheelers, passenger vehicles and consumer appliances mainly as brand displays or to communicate special instructions on hard surfaces.

IML/IMDS

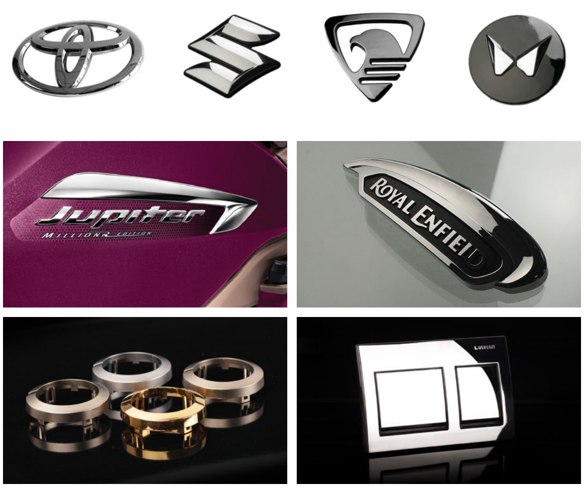
In-mould labelling and in-mould decorations are used in various products, such as control panels in vehicles and consumer appliances, branding logos and decorative plastics.

LENS MASK ASSEMBLY

Lens mask assembly is used as a digital speedometer and information system for two-wheelers. An optical lens printed with special weatherproof ink insert moulded in the plastic housing to withstand extreme climatic conditions is used by two-wheeler manufacturers to mask the digital instrument cluster display

OPTICAL PLASTICS

Optical plastics are high-quality plastic parts that allow a display to be clearly visible without any distortion and also used to provide mechanical protection to thin-film transistor ("TFT") screen without impacting the visibility of underlying display device. Optical plastics are typically made of acrylics/polycarbonate material, providing desired mechanical strength, along with optical parameters covering transmission, haze and in high end applications, require anti-reflective, anti-glare, anti-fingerprint properties. Optical plastics come in varying sizes, depending on varied applications in two-wheelers and passenger vehicles.



CHROME-PLATED AND PAINTED PRODUCTS

Chrome-plated and painted products include wheel covers, monograms, nameplates, rear and front appliques, radiator grills, door handles, bezels, bumper parts, etc.

AFTERMARKET – 'TRANSFORM'

We offer a variety of aftermarket accessories under our 'Transform' brand to enhance the appearance of two-wheelers and passenger vehicles, including vehicle body graphics, PU dome logos and badges, 3D lux badges for door edge protectors, chrome handles, and bumper grills.

CHAIRMAN'S MESSAGE

IN FY 2022-23, YET AGAIN, WE DELIVERED A RESOUNDING PERFORMANCE AND SURPASSED THE AUTOMOTIVE INDUSTRY, DESPITE THE SLOWDOWN IN EXPORTS AND CONSUMER DURABLES INDUSTRY. OUR OPERATIONAL PERFORMANCE HAS BEEN EQUALLY IMPRESSIVE. AS ON 31 MARCH 2023, SJS HAS BUILT A COMFORTABLE CASH AND CASH EQUIVALENT OF ₹1,648.2 MN.

Mr. Ramesh C. Jain
Chairman & Independent Director

Dear Shareholders,

It is with immense pride and euphoria that I write to you about the significant milestones we achieved during the year and the progress we are making towards a stronger future. Our journey of growth and value creation continued unabated during FY 2022-23 despite external challenges. We owe this success to our teams whose relentless efforts in pursuing opportunities and decisive actions brought us closer to achieving our ambitious goals.

After a prolonged period of uncertainty, 2022 was expected to see the beginning of a global economic recovery with the pandemic dissipating and focus returning to economic growth. However, geopolitical tensions, energy crisis, and high inflation posed challenges for the global economy and businesses in general. Central banks across the world raised policy rates to combat this permacrisis. Amidst these uncertainties, India outperformed and remained one of the world's fastest-growing economies with Gross Domestic Product (GDP) growing at 7.2% in FY 2022-23.

The Indian automotive industry has exhibited persistent strength and resilience during FY 2022-23, benefiting from the realignment of global supply chains and government's impetus on domestic manufacturing to promote Make in India. The passenger vehicle segment clocked record sales of 3.9 Mn units in fiscal 2023 as against 3.1 Mn units in fiscal 2022, registering a growth of 27%. Growth is being driven by pent-up demand, improved semiconductor chip supply, new launches, and product upgrades from OEMs. However, challenges in the form of escalating input costs, increased cost of ownership due to regulatory headwinds, and high inflation may result in price hikes of vehicles and impact consumer demand.

What is even noteworthy is that the technology landscape in the automobile industry is fast-evolving, requiring adoption of modern and sophisticated technologies at an extremely rapid speed. As you all are aware, SJS is an established market leader in a very attractive and niche business segment. We operate in a high value-added, definitive aesthetic market across multiple consumer-oriented industries. We have been at the forefront of leveraging technology for developing premium and aesthetically differentiated products. Our R&D teams constantly strive to enhance product innovation enabling us to meet evolving customer needs and stay competitive. In FY 2022-23, we manufactured over 6,700+ SKUs and supplied over 136 Mn parts to our customers across 22 countries and 175+ customer locations.

You would be delighted to know that we have achieved a remarkable milestone at SJS recently in July 2023. We completed our second and much larger acquisition of Walter Pack India to deliver on our inorganic strategy to take SJS to the next level of growth. Our first-ever acquisition of Exotech Plastics has resulted in significant benefits and high operating leverage. Within 2 years of the acquisition, we were able to successfully integrate the business which resulted in doubling of revenues at Exotech coupled with improvement in EBITDA margins.

We acquired 90.1% stake in Walter Pack Automotive Products India Private Limited (WPI) for a total cash consideration of ₹2,393 Mn. WPI, a subsidiary of Walter Pack Spain, is a leader in the design and development of high, value-added functional decorative parts in India like IMD, IML and IMF technology. I am quite confident that with the integration of WPI, SJS will witness multifold growth opportunities with a wider product portfolio and higher cross-selling opportunities.

In FY 2022-23, yet again, we delivered a resounding performance and surpassed the automotive industry, despite the slowdown in exports and consumer durables industry. Our operational performance has been equally impressive. As on 31 March 2023, SJS has built a comfortable cash and cash equivalent of ₹1,648.2 Mn which will be utilised for funding WPI acquisition. We are a debt-free and free cash flow generating company. Our free cash flow to EBITDA for FY 2022-23 stands at a healthy rate of 52.2%. We have achieved robust ROCE and ROE of 33.1% and 15.7%, respectively, as on 31 March 2023.

We remain confident to benefit from the premiumisation trend in the industry and deliver new technology products to meet evolving customer needs over the medium and long-term. Our customers are recognising our efforts in product development as we secured marquee orders from existing and new customers across diverse product categories during the year. Our strategy to introduce new-generation, futuristic products and technologies remains undeterred and will be one of the biggest growth drivers for your Company.

Finally, I would like to express my heartfelt gratitude to all our stakeholders for supporting and believing in us over the years. These are exciting times for SJS, and we look forward to expanding growth opportunities and reaching newer summits.

Warm Regards,

Ramesh C. Jain
Chairman & Independent Director

MANAGING DIRECTOR'S MESSAGE

WE RECORDED A WHOPPING 25.1% GROWTH IN THE AUTOMOTIVE (2W AND PV) SEGMENT IN FY 2022-23, SURPASSING THE COMBINED GROWTH OF 11.9% IN THE AUTOMOTIVE INDUSTRY PRODUCTION.

Mr. K A Joseph
Managing Director

Dear Shareholders,

I am delighted to share that throughout FY 2022-23, SJS delivered a strong performance with major strategic endeavours remaining on track while making notable strides on the Environment, Social, and Governance (ESG) front.

Once again, we outperformed the automotive industry due to our well-entrenched customer relationships, strong in-house design and engineering capabilities, leading-edge technologies, wide portfolio, and our lean operations designed to support multi-fold revenue. We recorded a whopping 25.1% growth in the automotive (2W and PV) segment in FY 2022-23, surpassing the combined growth of 11.9% in the automotive industry production.

Coming to the segment-wise performance, our revenue from the two-wheeler segment grew by 23.1% as against industry production volume of 9.2% YoY. Passenger vehicle industry volume grew by about 25.4%, while SJS passenger vehicle revenue was higher with 27.8% YoY growth. Though our PV journey is still in the nascent stage, we are winning new businesses and will continue this growth momentum going forward. Our diversification strategy and presence across multiple segments along with a vast customer base has consistently helped us to minimise the impact of industry slowdown in specific segments.

Our revenue contribution from the two-wheeler and passenger vehicle segments in FY 2022-23 increased significantly to 44.8% and 32.5%, respectively, while consumer durables and exports witnessed a declining share of revenue due to macroeconomic headwinds. Rising inflation and geopolitical tensions led to subdued demand and production volumes in Europe and North American markets.

For the full year, our total revenue grew by 17.1% to ₹4,330.5 Mn. This was achieved through both organic and inorganic routes that we undertook, including new customer wins and product development, market share gains, and focus on quality and delivery excellence. EBITDA stood at ₹1,167.8 Mn indicating a robust growth of 23.2% YoY and strong margins of 26.4%, an improvement of 75 basis points (bps) on the back of higher sales and operational efficiencies. Profit after Tax (PAT) rose by 28.8% YoY to ₹672.5 Mn with a margin growth of 15.5%, an improvement of 127 basis points. Consistent delivery of robust margins has led to strong cash flow generation and our cash and cash equivalents for the year stood at ₹1,648.2 Mn. As on 31 March 2023, our ROCE and ROE stood at a healthy rate of 33.1% and 15.7%, respectively.

We consistently focus on building mega customer accounts. We continue to expand our share of wallet with key customers and win new businesses. This year, we secured prestigious wins from key customers like Mahindra, Maruti Suzuki, TVS, Royal Enfield, HMSI, Uno Minda, Atomberg Technologies, Litemed, Samsung, and Godrej, among others. We successfully won our first export order for Exotech's chrome-plated parts from Whirlpool in North America. We also bagged orders from marquee EV OEMs like Altigreen, Hop, Foxconn, Ultraviolette, Hero Electric, and Bajaj Auto, among others.

Continuing with the portfolio diversification strategy, we intend to develop new-generation products which find increasing application in 2Ws, PVs, consumer appliances, and electric vehicles (EVs). For passenger vehicles, we are working on products like optical plastics, cover glass, IMD parts integrated with IME, and illuminated logos, among others, which will increase our kit value by 3 to 4x from the current ₹1,200-1,500 per vehicle. For 2Ws, we target to increase the kit value by 1.5-2 times from the current ₹300-500 per vehicle with the addition of futuristic products like cover glass, IME moulded parts, etc. especially for the EVs. For consumer appliances, our strategy is to increase the kit value by about 3 to 4x from the current ₹50-150 per appliance by the introduction of optical glass with HMI functionality, printed electronics with capacitive touch function, etc.

Successful integration of Exotech has strengthened our revenue and growth prospects, enabling us to cross-sell products and enhance chrome-plating capacity. For FY 2022-23, Exotech recorded a revenue of ₹1,387.3 Mn and margin expansion by 235 basis points to 15.2%. Post the successful acquisition of Exotech, we are confident of integrating companies that will pivot SJS to the next orbit of growth.

The acquisition of Walter Pack India is an important strategic step that will reinforce our IML capabilities and add IMD technology and 2k moulding capability. It will also unleash new opportunities in terms of offering innovative vehicle interior lighting and IME solutions for new generation of vehicles. Addition of new-age, premium products will widen our portfolio and strengthen our position as a one-stop aesthetics solutions provider in the automotive and consumer appliances segments.

Inorganic growth is part of our core strategy and we are excited with the acquisition of Walter Pack India. We believe we will be able to leverage Walter Pack's technology to assist SJS grow better. At the same time we should be able to drive higher growth at Walter Pack given SJS entrenched relationships. We now have a well defined playbook for assimilating acquisitions and we intend to repeat the success we had with Exotech acquisition. We will continue to look out for value creating and synergistic acquisitions going ahead as well.

Our efforts in sustainable development of communities have been commendable. We are committed to health, safety, and environmental concerns while balancing a sustainable growth objective. We intend to create a positive impact on society with meaningful initiatives in the realms of education, skill development, health care and sanitation, rural development, and environmental protection, which are key focus areas for SJS.

On the CSR front, we have supported education and health initiatives for over 1,200 children across more than 10 government schools. Nearly 1,200 students have benefited from our free eye checkup camps and we have also distributed spectacles to around 117 visually impaired children. During the year we also adopted 7 villages in the surrounding areas near our factory and initiated garbage pick up program through garbage pick up vans under the Swachh Bharat Abhiyan so as to provide a clean environment for the people to live in. Our major environment conservation initiatives include the installation of solar panels at its factories, sewage treatment plant for waste reduction, recycling and conservation of water; reduction of diesel usage etc.

I would like to thank our employees, customers, business partners, shareholders, and stakeholders for their unstinted faith and support. We have the right team and strategy in place to set new benchmarks and continue to deliver sustainable growth.

Warm Regards,

K A Joseph
Managing Director

CHIEF EXECUTIVE OFFICER'S MESSAGE

A RECENT IMPORTANT DEVELOPMENT HAS BEEN THE ACQUISITION OF WALTER PACK INDIA (WPI) TO REINFORCE OUR MARKET LEADERSHIP IN THE DECORATIVE AESTHETICS INDUSTRY. WPI IS ONE OF THE VERY FEW COMPANIES IN INDIA THAT IS PROFICIENT IN ADVANCED IMD, IMF, IML, AND IME TECHNOLOGIES WHICH WILL PROVIDE A STRONG TECHNOLOGICAL ADVANTAGE FOR SJS.

Mr. Sanjay Thapar
CEO & Executive Director

Dear Shareholders,

It was another year of stellar performance at SJS despite a difficult and unprecedented environment. We delivered industry-beating growth in FY 2022-23, thanks to our diversified product portfolio and established customer relationships.

Our constant focus is on expanding possibilities and achieving operational excellence thereby reinforcing our market leadership. We remain well-positioned to capture the growing opportunities going forward with the help of a wide basket of products and capabilities to serve OEMs better.

I'm delighted to state that all our efforts and initiatives post the Exotech acquisition are adding growth and momentum to our business. We have more than doubled our revenue at Exotech within 2 years of the acquisition. More significantly, EBITDA margins have improved by around 300 basis points during the same period to 15.2% in FY 2022-23 from 12.2% in FY 2020-21 on the back of higher sales growth, softening in raw material prices, and operational efficiencies. This clearly demonstrates our ability to integrate the acquired business successfully and gives us the confidence of scaling business through the inorganic route.

A recent important development has been the acquisition of Walter Pack India (WPI) to reinforce our market leadership in the decorative aesthetics industry. Our primary driver of interest in Walter Pack is its complementary and adjacent technologies. WPI is one of the very few companies in India that is proficient in advanced IMD, IMF, IML, and IME technologies which will provide a strong technological advantage for SJS.

Our consolidated cash and cash equivalent as of 31 March 2023 stood at ₹1,648.2 Mn which will be utilised for funding WPI acquisition and future growth.

Another important driver for this acquisition is cross-selling opportunities which will enable us to acquire new customers as well as increase the share of wallet with existing customers. Majority of WPI's revenues come from the passenger vehicles (around 2/3rd of total revenue) and consumer electricals segments (around 1/3rd of total revenue), which will enable SJS to diversify its end-user industry revenue split and reduce concentration on the two-wheeler segment. Growth in this business will also lead to a higher contribution of new-generation products like IMD, IML, and IMF going forward. We expect Walter Pack's acquisition to be EPS accretive in the current year itself. WPI would also add scale to SJS given its EBITDA is approximately one-third of SJS's EBITDA. Post this acquisition, SJS will become one of the significant players in interior aesthetics decoration for the PV segment.

With this acquisition, we have not only acquired a profitable business but at the same time achieved key strategic objectives. One amongst them is the integration and application of new technologies such as 2K injection molding, laser decoration, large part in-mould forming to manufacture 3-dimensional IMF parts with complex surface geometries along with in-house tool design capability for IML/ IMD parts, 6 axes milling capabilities, 3D trimming, etc. All these are emerging capabilities that will supplement the vast array of technologies available at SJS, and together, they will help create a formidable advantage for SJS from a global perspective.

The second benefit is the technology support agreement that we have signed with Walter Pack Spain, which is one of the global technology leaders, and the go-to benchmark for in-mould forming technology as a part of this deal. It will enable us to share technical know-how, provide access to new technology upgrades, and will ensure Walter Pack customers of seamless technology and quality support.

We have also added management bandwidth to the Company with Mr. Roy Mathew, the man behind Walter Pack and instrumental in the growth of the India business. He will continue to hold 9.9% stake in Walter Pack India which will ensure smooth integration. Mr. Roy is a tooling engineer by qualification and a seasoned professional. He has been associated with developing IMF technology with Walter Pack's team for almost 15 years and is a subject matter expert. His tooling expertise fits in perfectly with SJS team's capability and will complement your Company's capabilities. Roy will report directly to Joe and me as done by the other business unit heads of SJS.

Let me now talk about our future growth outlook.

We have been at the forefront of leveraging technology for developing premium and aesthetically differentiated products that enable us to enhance our market share significantly. Our R&D teams bring about consistent breakthroughs in product innovation enabling us to meet evolving customer needs and stay ahead of the curve. We are increasingly focussing on emerging technologies as we believe that premium and futuristic technologies are the way forward for SJS.

The Walter Pack acquisition will be another force multiplier for SJS as it opens a plethora of opportunities for us through its presence in IMD, IML, IMF, and IME technologies in the PV and consumer segments. Technologies such as large in-mould forming and decoration will help us supply large-sized IMF panels to washing machines. Expertise in 1K and 2K injection moulding and IMD will enable us to address the medical devices segment faster. We will evaluate other acquisition proposals as well in the future that we believe would add value to SJS.

On the Exotech capacity expansion front, we feel that post WPI acquisition, we see many synergies between the two companies – Exotech and WPI, and both plants are in close proximity at Ranjangaon, Pune. Hence, the Company has deferred its chrome capacity expansion capex plan by a year to CY 24. We are revising our expansion plans to align more effectively with the evolving business requirements of both WPI and Exotech. This rework aims to create a more conducive strategy that can accommodate the changing needs and demands of both companies. In the interim, we have charted out an alternate plan so that the Exotech growth does not get hampered in the short run. We are increasing capacity for Exotech by debottlenecking, utilising our underutilised capacities in painting etc. Simultaneously, we are also partnering with external chrome plating manufacturers to utilise their excess capacity, creating a win-win situation for both the parties.

We expect SJS's consolidated revenue to grow by over 50% in FY 2023-24 on account of positive outlook for two-wheelers, passenger vehicles, and consumer segments. Key drivers for the revenue growth also include premiumisation, new customer wins, and exports along with Walter Pack India acquisition. We have a very high visibility of our current order book being over 90% of the estimated revenue for FY 2023-24. Our robust margin profile and WPI acquisition will driver PAT growth of 40% for FY 2023-24.

Going forward, our medium-term growth target remains intact with 20%-25% revenue growth over the next 3 years from FY 2024-26. Our strategic growth drivers would be winning new businesses, increasing wallet share with existing customers, adding new customers, penetrating deeper into new geographies, and introducing exciting new premium products to our portfolio.

Overall, I am quite optimistic that SJS will continue to outperform the market and drive higher value-creation in the coming years.

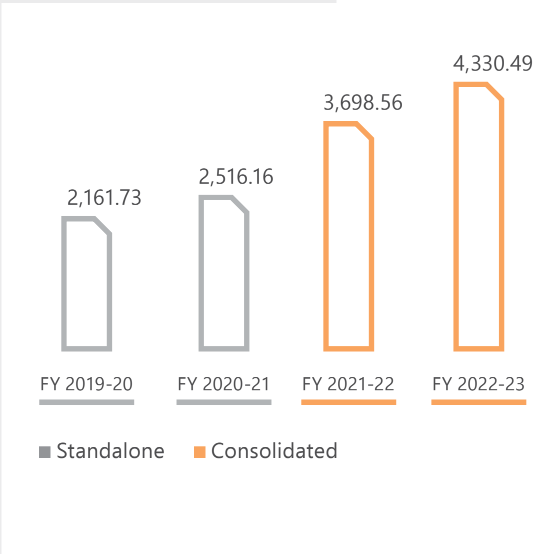
Thank you all for your continued trust and support.

Warm Regards,

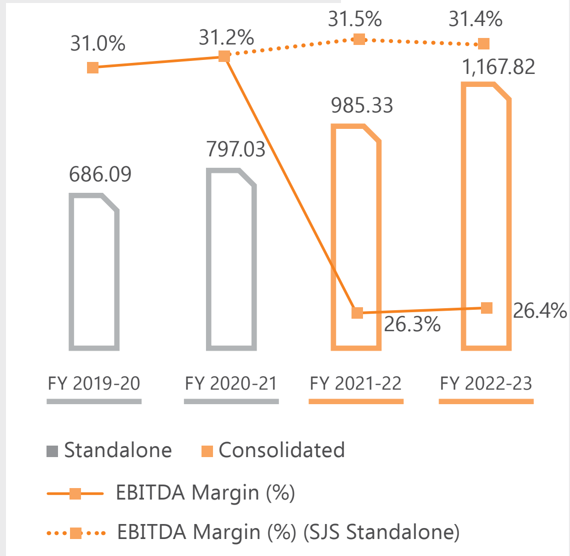
Mr. Sanjay Thapar
CEO & Executive Director

CONSISTENTLY DELIVERING ROBUST PERFORMANCE

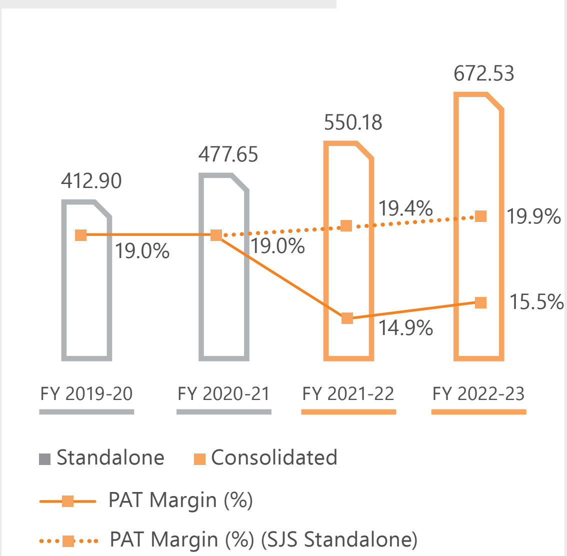
Revenue from Operations
₹ Mn



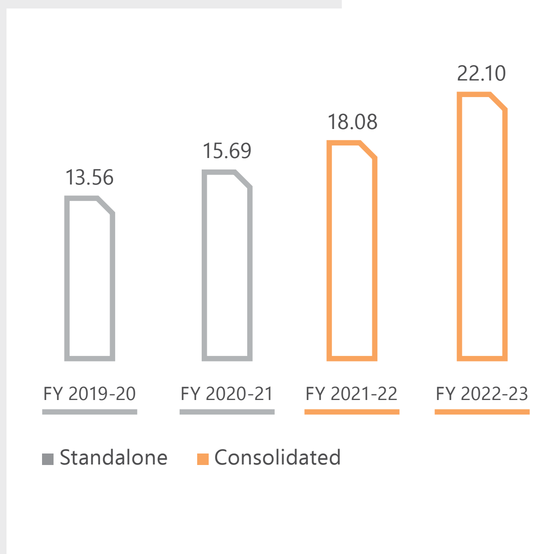
EBITDA & EBITDA margin
₹ Mn



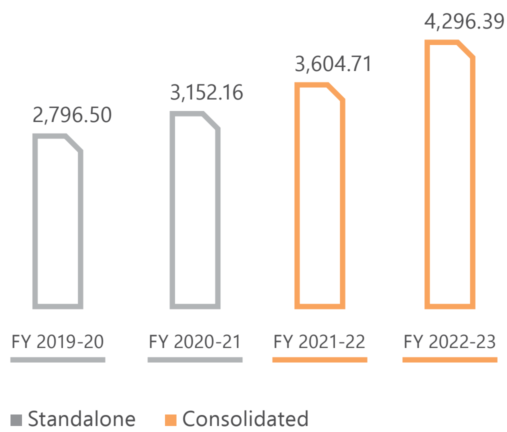
PAT & PAT margin
₹ Mn



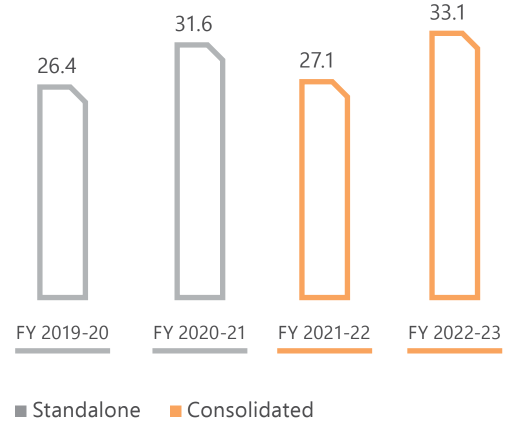
EPS (₹)



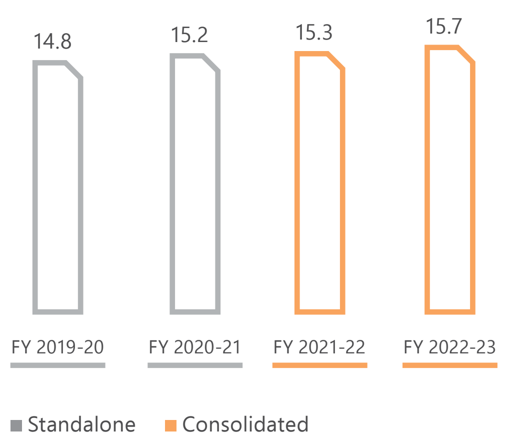
Net Worth
₹ Mn



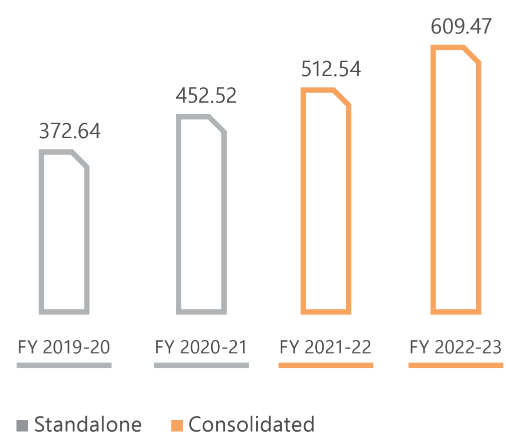
ROCE[1]
%



ROE[2]
%



Free Cash Flow
₹ Mn



Footnote:
[1]ROCE = EBIT / (Total Assets - Cash, Bank & Investments - Current Liabilities)
[2]ROE = Net Profits for the Year/ Average Total Equity

EXPANDING POSSIBILITIES

WE ARE ON A CONTINUED QUEST TO EXPAND POSSIBILITIES TO BUILD A STRONGER SJS FOR THE FUTURE. ANTICIPATING MEGA OPPORTUNITIES IN THE AUTOMOTIVE AND CONSUMER DURABLES INDUSTRIES, DRIVEN BY POSITIVE DEMAND OUTLOOK, FAST-GROWING PREMIUMISATION AND TECHNOLOGY DEVELOPMENT, WE HAVE DEFINED A STRATEGIC ROADMAP TO ACCELERATE PROGRESS AND PROPEL GROWTH.

DRIVING SUSTAINED GROWTH IN AUTOMOTIVE BUSINESS

Amidst the challenging environment, SJS continues to deliver strong performance, outpacing the automotive industry year after year. This can be attributed to our strong customer relationships, diverse product portfolio, consistent focus on quality, robust processes leading to timely delivery, continuous investments in new products and technologies to fulfil customer requirements thereby increasing share of business which makes us optimistic about future growth and expansion.

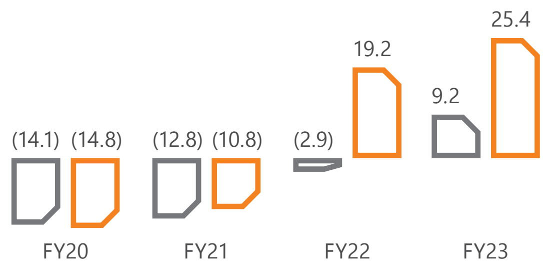
Consistently outperforming the industry

In FY 2022-23, yet again, we outperformed the automotive industry (2W+PV), despite the slowdown in exports and consumer durables industry due to macroeconomic headwinds. The premiumisation trend continues to accelerate rapidly, and we remain confident in our ability to grow our business over the medium and long-term.

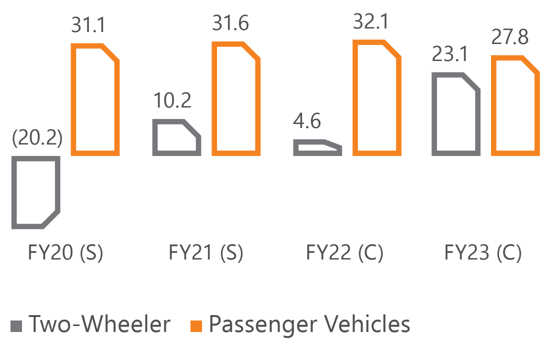
For the full year, we recorded a robust 25.1% growth in the automotive segment, surpassing the combined growth of 11.9% in 2W + PV industry production. Our total revenue stood at ₹4,330.5 Mn as against ₹3,698.6 Mn in FY 2021-22, growing by 17.1%. Of this, the passenger vehicle business registered a healthy growth of 27.8% and the two-wheeler segment clocked 23.1% growth. This was achieved through both organic and inorganic routes that we undertook including new customer wins and product development, market share gains, and focus on quality and delivery excellence.

Industry Production Volume vis-à-vis SJS sales for FY 2022-23(%)

Industry Production Volume Growth



SJS Revenue Growth



Looking forward

Our deep experience and expertise in the aesthetics industry and track record of supplying premium and quality products make us well-positioned to avail of favourable trends in the industry. We believe the outlook of the domestic two-wheeler and passenger vehicle segments is positive with improving chip availability and rebound in consumer demand. Notwithstanding the near-term challenges, our medium-term growth targets and strong focus on exports remain intact.

We believe we are moving in the right direction. We remain confident of achieving around 20-25% revenue growth over FY 2024-26. Premiumisation, new customer wins, expected exports recovery, and a positive outlook for automotive and consumer durable sectors will enable us to drive high sales growth for SJS. Simultaneously, we continue to enhance operational efficiencies to increase economies of scale, reduce operating costs, and strengthen our competitive position to maintain margins.

We are a debt-free and free cash flow generating company and have a healthy cash and bank balance of ₹1,648.2 Mn as on 31 March 2023. Strong focus on VA/VE measures and operational efficiency improvement initiatives have led to EBITDA and PAT margin expansion by 75 basis points and 127 basis points, respectively. Our strong margin profile has enabled us to deliver solid returns to shareholders with consolidated ROCE and ROE at 33.1% and 15.7%, respectively, in FY 2022-23.

EXPANDING GLOBAL FOOTPRINT AND CUSTOMER RELATIONSHIPS

We are a preferred partner, co-creator, and supplier of choice to leading OEMs with a dominant share of business in India and a focussed strategy to increase global footprint. We intend to build a widespread presence and expand our growth horizon, strengthen our order book, and build deeper customer relationships.

Expanding global footprint

At SJS, exports is a huge opportunity and continues to remain a strong lever of growth over the medium and long-term. Notwithstanding the macro-economic challenges and high inflationary environment, our strategy to revive exports remains undeterred. With a structured focus on premiumisation and new customer wins, we intend to enhance international presence and drive export growth.

Our export revenue has seen consistent growth and improvement in the past five years, thereby enhancing our global reach.

Exports Revenue Growth YoY (%)

FY 2018-19 (S)	FY 2019-20 (S)	FY 2020-21 (S)	FY 2021-22 (C)	FY 2022-23 (C)
21.2%	38.2%	26.7%	14.8%	**(31.7%)**

Note: FY 2022-23 exports revenue was lower than FY 2021-22 due to impact on exports on account of geo-political issues and war in Europe & subdued demand in North American markets.

Revenue by Geography (%)

	FY 2018-19 (S)	FY 2019-20 (S)	FY 2020-21 (S)	FY 2021-22 (C)	FY 2022-23 (C)
India	90.2%	85.1%	83.8%	87.3%	92.6%
Rest of the World (exports)	9.8%	14.9%	16.2%	12.7%	7.4%

Note: FY 2021-22 Consolidated saw a drop in % share in exports as Exotech was acquired and that was a domestic business only at the time of acquisition.

To increase our global presence, we have appointed sales representatives in the international markets of Turkey and Brazil and intend to explore similar opportunities in other countries. This year, we forayed into the key markets of Latin America by hiring sales representatives in Argentina and Columbia.

In another significant development, we have successfully won our first-ever export order for Exotech's chrome-plated parts from Whirlpool in North America.

New customer acquisitions in exports

- Secured business with Alladio, a Mabe group company and leading manufacturer of consumer appliances in Latin America
- Added Whirlpool Ohio, USA as our customers
- Strategic business entry in Mexico for a PV OEM for their export program along with Visteon and consumer durables company for logos

Focussing on customers and building mega accounts

Top 10 customers average relation more than 19 years

Tenured, blue-chip customer base of leading OEMs across Auto and White Goods industries

Two-Wheeler OEMs

#7

of top 7 OEMs

Four-Wheeler OEMs

#9

of top 10 OEMs

Consumer Durable OEMs

#5

of top 10 OEMs

Building mega accounts is a key focus area for SJS. We continue to expand our share of wallet with key customers by offering new products and add new customers and geographies to our portfolio.

Winning orders from marquee customers

Our customers are recognising our efforts on new product development as we secure marquee orders from our existing and new customers across diverse product categories. In FY 2022-23, continued growing business with mega accounts by winning new orders from TVS Motors, M&M, Whirlpool, Honda, Bajaj Auto, Royal Enfield, Tata Motors, Maruti Suzuki, Samsung, Continental among others. We have also expanded our reach in North America by adding two Whirlpool plants in Ohio as our customers.

*Note: Supplies as a Tier 2 supplier

Key customer additions in FY 2022-23

2W EV Players

Foxconn, Benling, Navbharat Edison Motors, Gravton Motors, TI India, BuyMyEV. Bagged prestigious orders from Ultraviolette, Hero Electric, Bajaj Auto etc. in the electric two-wheeler segment.

Consumer Durables

IFB India, Mabe Group (Argentina), Whirlpool Ohio, USA and Atomberg

PV

Skoda Auto Volkswagon India and Stellantis India

Others

Litemed (medical devices); John Distilleries

Successful track record of building mega accounts

Leading global automotive component player

Value created over the years

(Achieved revenue growth of 4x in 4 years)*

1996

Started business with the supply of 2D Dials in India

2006

Started exports of 2D Dials to their Portugal plant

2018

Expanded business and won first global business to expand reach to 10 countries worldwide

2018-2022

Introduced several complex new products:

- 3D Formed Appliques
- Optical Plastics
- Lens Mask Assembly

*Note: For FY19-22 period

Leading global consumer appliances player

Value created over the years

1994

Supply of PU Dome Badges in India

2002

Started Embossed Overlays business

2017

Developed Aluminium Badge capability; won 50% global market share within 1 year of launch

2018

Added electroformed badges to portfolio. Won business in Russia, South Africa, Asia & Europe

2018-2022

- Developed Chrome-Plated Badges
- Successfully introduced IMD/IML panels to replace imports from China
- Started Aluminium Badge supplies to various global markets

STRENGTHENING INNOVATION AND PRODUCT DEVELOPMENT

We have been at the forefront of leveraging technology for developing premium and aesthetically differentiated products. Our R&D team brings about consistent breakthroughs in product innovation enabling us to meet evolving customer needs and stay ahead of the curve.

Strengthening new product development

We have relentlessly focussed on innovation to offer better value propositions for our customers. In the past 5-6 years, SJS introduced 5-6 product categories and now has the widest portfolio across 11 product categories. Our dedicated team of 90+ NPD personnel is highly skilled and deploy state-of-the-art machines and equipment to accelerate innovation and new product development and customise products to receive faster approvals from customer and win new orders. It functions separately like a shop-in-shop. The NPD Head shows high level of commitment and focus towards innovation and product development and reports directly to the Chief Operating Officer (COO) and Managing Director (MD).

NPD & Technology Committee

In FY 2022-23, we formed an NPD and technology committee led by our highly experienced Independent Director, Matthias Frenzel. This committee identifies the evolving trends and customer requirements on new products and technology and deliberates on strategy for futuristic technology products at SJS. Going forward, we intend to pursue technology tie-ups to enhance knowledge and technical know-how and stay ahead. We are also open to hiring technology experts in segments like optical plastics, cover glass, etc.

Our Journey of New Product Development

2010-14
Introduced 3D lux logos

2015-17
Launched IMD parts, aluminium and electro form badges

2019-20
Added 3D appliques, lens mask assembly and early stages of optical plastics

2021
Acquired Exotech and entered into chrome-plating / painting

2023
In Jul-23, closed acquisition of Walter Pack India, with IMD/IML, IMF and IME expertise

Products introduced in FY 2022-23

- Introduced Illuminated logos
- Entry into Optical Plastics Business for HVAC Panel Lens for passenger vehicles
- Technological breakthrough into 1st PC-PMMA Cover panel for passenger vehicles
- Addition of technology –
  - Hot foiling of logo
  - For chrome-plating entered an adjacent technology, painting with dual tone wheel cover for a passenger vehicle OEM

July 2023

SJS has successfully acquired a 90.1% stake in Walter Pack Automotive Products India Private Limited (WPI). WPI is one of the very few companies in India that is proficient in advanced IMD, IMF, IML and IME technologies, providing a strong technological advantage. This strategic acquisition opens enormous opportunities to diversify our offerings, tap into new customer base, and increase wallet share with existing customers. With this move, SJS has solidified its position as the leading aesthetic solutions provider in the industry.

Future product focus

- Touchscreen Cover Glass
- Printed Electronics - Switch over into sensor-based digitisation / ADAS solutions
- IME & smart surface technologies

Driving value through new product development is one of the key strategies for future growth. We are working with leading OEMs for futuristic products like Illuminated logos and cover glass technology for automotive centre stack displays, etc. We are also prepping to introduce advanced technology products like In-Moulded Electronic (IME) parts and smart surface technologies.

The addition of these new-generation products will help strengthen our position as a one-stop aesthetics solutions provider and increase our addressable market for automotive and consumer appliances segments.

Focus is not only on product innovation but also on process innovation, that will help in better product customisation, achieving desired result and help in reducing cost of manufacturing or time taken to manufacture.

Secured projects and also process cost reduction through process innovation in:

- Adhesive printing on Formed Dials
- Single operation of Forming, Embossing and Trimming for Aluminium badges
- Cover Glass for Foxconn through IML technology
- Hot Foiling Effect achieved through printing technology in white goods products
- Developed Wheel Rim Jigs for a 2W OEM giving them productivity benefits

Our Strategy

For passenger vehicles, we are working on products that will increase our kit value by 3-4 times from the current ₹1,200 – 1,500 per vehicle. A few examples of these products are:

- Optical plastics/cover glass with touchscreen capability
- In-mould decoration integrated with In-Mould Electronics for car interiors
- Illuminated emblems and door project branding and illuminated scuff plates

For the two-wheeler industry, we target to increase the kit value by 1.5-2 times, from ₹300 – 500 per vehicle with addition of products such as:

- Cover glass for two-wheeler instrument cluster with touch functionality
- In-Mould Electronic parts with integrated multiple functions in the moulded decorative substrate, especially for EVs

For consumer appliances, we target to increase the kit value by 3-4 times, from ₹50 – 150 per appliance with addition of products such as:

- Optical glass with HMI functionality for control panels
- Printed electronics with the capacitive touch function for consumer appliances

ADDING NEW DIMENSIONS TO THE BUSINESS

Our diversification strategy has led us to explore opportunities in new, high-growth potential in various other segments. Constant innovation, deep domain expertise, and differentiated offerings will enable us to gain a strong foothold in these industries and broaden our horizons.

Foraying into new consumer-related industries

- Entered TV segment for decals with Samsung
- Entered Smart fans segment for decorative IML trim assembly with Atomberg Technologies, a leading manufacturer of premium fans for domestic appliances
- Exploring opportunities in the FMCG premium segment with the addition of John Distilleries for specialty decals

Strengthening presence in medical equipment and sanitary ware

- SJS already has Sensacore as one of its medical equipment customers. In FY 2022-23, we added Litemed for decorative IML and are exploring further opportunities in this segment
- Gaining wallet share in Sanitary ware with existing customers like Geberit & Roca, thereby increasing exports business opportunity

Increasing focus on EV Segment

Given the increasing advent of e-mobility, we focus on developing aesthetically superior, technologically advanced products that cater to the electric vehicle (EV) market. We are seeing significant traction in this space by continually securing business with leading EV manufacturers. We are working with Benling India, Navbharat Edison Motors, Gravton, among others to fulfil their requirements. We also bagged prestigious orders from Foxconn, Ultraviolette, Hero Electric, Bajaj Auto, etc. in the electric two-wheeler segment. With the addition of BuymyEV and TI India, SJS now supplies to 12 leading EV manufacturers in the country, and we intend to increase this count in the future.

2W EV segment

Increased growth and acquisitions with multiple OEMs in the EV segment:

- Entry into EV cluster through Foxconn
- Early engagement with Ultraviolette helped us to win business for EV bikes
- Got breakthrough with Hero EV for wheel rim parts
- Won orders for EV business with Bajaj, RE & Maxima EV models

PV segment

- Acquired Business with Tata Motors

Focus on pursuing inorganic opportunities

Inorganic growth is a core strategy at SJS. Post the successful acquisition of Exotech, SJS is confident of acquiring and integrating companies that will take the Company to the next level of growth. The Company generates strong free cash flows every year and utilise the funds to grow the business in the right direction. Successful integration of Exotech has strengthened our revenue and growth prospects, enabling us to cross-sell products and enhance chrome-plating capacity. For FY 2022-23, Exotech recorded a revenue of ₹1,387.3 Mn and margin expansion by 235 basis points to 15.2%.

Going forward, we intend to pursue value-accretive acquisition opportunities to integrate new businesses and achieve revenue growth over and above the organic growth rate of around 20-25%.

SJS will continue ahead with more business accretive acquisitions and the rationale for it will be:

Build capability in adjacent/ new aesthetic product categories

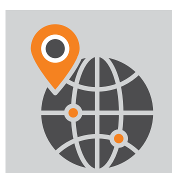
Identified key product categories to enter / expand presence which include:

- IMD / IML
- IME (In-Mould Electronics)
- Plastic injection moulding

Expand presence in consumer-related industries

Enter new segments and expand presence in other consumer-related industries targeting:

- Appliance manufacturers
- Consumer electricals



Enter new geographies / OEMs for chrome-plating

- Expand presence in chrome-plating (largest segment) and increase cross-selling opportunities
- Overcome logistics cost of bulky parts
- Provides direct entry into OEMs to support cross-selling opportunities

STRATEGIC ACQUISITION OF WALTER PACK INDIA (WPI)

In April 2023, SJS acquired 90.1% stake in Walter Pack Automotive Products India Private Limited (WPI) for a total cash consideration of ₹2,393 Mn. WPI, a subsidiary of Walter Pack Spain, is a leader in the design and development of high, value-added functional decorative parts in the Indian market. This acquisition lays the groundwork for a strategic collaboration with Walter Pack Spain and one of its minority shareholders, Antolin. It will enable SJS to reach the next orbit of growth by further strengthening our position as a one-stop aesthetics solutions provider.

We acquired 90.1% stake in WPI

Acquired the entire **85.0%** stake from Walter Pack Spain

Acquired **5.1%** stake from the Indian promoter and founder, Mr. Roy Mathew

Mr. Mathew continues to own **9.9%** stake in Walter Pack Spain to lead the business

WPI caters primarily to the passenger vehicle and consumer electricals segments, which will further diversify SJS' revenues and make it a leading supplier to the automotive and consumer segments in Asia owing to WPI's robust facilities in Pune, Maharashtra and Manesar, Haryana, equipped to cater to future growth.

- WPI is among few Indian companies that is proficient in advanced IMD, IMF, IML and IME technologies
- It provides a strong technological advantage
- SJS signed a 3-year technology support agreement with Walter Pack Spain regarding the exchange of technical know-how
- It will also provide SJS access to new technology upgrades
- This ensures WPI customers of product technology and quality support, in a seamless manner
- SJS expects WPI acquisition to be significantly EPS accretive in the current year itself
- Post this acquisition, the consolidated Debt / EBITDA of SJS would be much lower than 1x
- With this acquisition, SJS foresees a strong growth potential to acquire new customers and increase share of wallet with existing customers
- It's an important strategic step that will reinforce SJS's IML capabilities and add IMD technology and 2k moulding capability
- It will also open new business opportunities, enabling SJS to offer innovative vehicle interior lighting and IME solutions for new generation of vehicles in the future

Growth Outlook

SJS is expanding its possibilities by:

Driving sustained growth in automotive business

Strengthening innovation and product development

Expanding global footprint and customer relationships

Adding new dimensions to the business

We expect to clock 50% revenue growth in FY 2023-24 on account of positive outlook for two-wheelers, passenger vehicles, and consumer segments. Premiumisation, new customer wins, and exports along with Walter Pack India acquisition will enable SJS to achieve industry-beating sales growth. Robust margin profile and WPI acquisition will drive PAT growth of 40% for FY 2023-24. Our medium-term growth target remains intact with 20%-25% revenue growth over the next 3 years from FY 2024-26.

GROWING BUSINESS SUSTAINABLY

We are committed to integrating environmental, social, and economic principles into our business, which is pivotal to improving the quality of life of the communities we serve and enhancing stakeholder value and business growth. We have made Environment, Social and Governance (ESG) an important part of our corporate strategy and have formed an ESG committee to ensure appropriate guidance.

OUR ESG FRAMEWORK

ENVIRONMENTAL

Safeguarding of environment including policies to address climate change, biodiversity, and energy and water efficiency

SOCIAL

Social impact, community relations, fair working conditions, labour policies, and supporting equality and diversity

GOVERNANCE

Ethical and anti-corruption practices, compliance, transparency, and commitment to shareholder and voter rights

ENVIRONMENTAL

COMMITTED TO RESPONSIBLE BEHAVIOUR

We have embedded sustainability and responsible actions across every facet of our business. We invest in modern technologies and initiatives to make our operations eco-friendly, optimise use of natural resources, and achieve energy efficiency to create a long-lasting impact on the environment.

Key Activities in FY 2022-23

Energy Conservation

- Significant portion of our power requirement for manufacturing was generated through renewable solar energy and third party renewable energy sources.
- Our rooftop solar power panels and solar park within the factory premises accounted for 24.15% of electricity consumption during FY 2022-23.
- Total installed capacity of our solar plant is 1.9 MW, of which we generated 1,547,384 units of solar power during FY 2022-23 as compared with 1,923,149 units in FY 2021-22 (reduction is due to controlled generation from the plant to ensure zero export to comply to BESCOM new regulations, resolved from February 2023 due to Zero Export Controlling Device).
- Entered into power supply and off-take agreement for supply of solar power up to 2 MW or 3,000,000 units per year.
- 3,460,000 units of third-party power purchased through wind, solar power accounting for 43% of our total electricity requirement, which resulted in cost savings of around ₹2.5 Mn.
- We plan to procure more power through renewable sources at less price comparatively.
- Company has entered into a Power Purchase Agreement for upto 2 MW of captive solar power which is going to be operational in FY24.

1.9 MW

Total installed capacity of Solar Power

67%

of our total electricity requirement is through wind and solar power (including in-house solar generation)

Water Conservation and Recycling

- During the year, we purchased zero litres of water from outside sources.
- STP plant capacity increased from 50 KLD to 100 KLD.
- Nearly 51.22% of wastewater was recycled through our onsite sewage treatment plant and 62.99% through the effluent treatment plant.
- Processing Ink reduction of 1,000 kg achieved in FY 2022-23.
- ETP Sludge FY 2022-23 is 400 kg, whereas it was 700 kg during FY 2021-22.
- Robust processes are in place for collection and storage of rainwater in ponds to increase groundwater levels.

Reduction in Carbon Emissions

- Reduced 2,176,342 kg of carbon emissions through consumption of renewable power sources during FY 2022-23 and investing in dedicated express feeder with isolated cable running 5.3 Km long, which is free from other rural and village trippings. (No. of power cuts in FY 2022-23 was 128 times only throughout the year whereas it was 1,163 times in FY 2021-22).
- Target is to reduce CO_2 Emission by 5% in FY 2023-24.

Reduction of Diesel Usage

- Installed a dedicated express feeder for power distribution during FY 2021-22.
- This resulted in reduction of power interruption and outages, and reduced diesel consumption and process related rejection.
- With the use of dedicated feeder, reliance on diesel consumption was almost reduced to zero, whereas we had budgeted for total savings around ₹8 Mn in FY 2022-23. (Diesel consumption for FY 2022-23 is 10,042 litres whereas consumption was 92,099 litres during FY 2021-22).
- Significant savings were made in consumption of raw material and electricity, and manpower utilisation with respect to reduction in line-rejection which was higher earlier due to power interruption.

100 KLD
STP plant capacity

2,176,342 KG
Reduced carbon emissions by 50%

SOCIAL

NURTURING A TALENTED WORKFORCE

We provide equal opportunities in employment, recognition, and development of our people. Our aim is to create a conducive workplace that empowers employees and promotes learning and growth that enables us to build a next-generation organisation.

Promoting learning and development

Our people development practices help strengthen the capabilities of our human capital that contribute to our overall growth. We nurture the skills and competencies of our employees on a regular basis to promote a culture of continuous learning and drive shared organisational objectives.

Strategic focus areas

- **Upskilling of employees**
- **Creating a culture of learning**
- **Aligning learning programmes to business goals**
- **Improving employee retention**

Training Hours conducted per employee

Category	Total Training Hours in FY 2022-23		
	Total	Safety	Skill Development
Staff	2,273	478	1,795
Workers	2,225	688	1,537

Benefits

300 Kaizens have resulted in elimination of wasteful actions (MUDA) and also helped in improving product quality

10 employee inter-department transfers with multitasking competencies

Awareness on physical and mental well-being

During the year, we conducted the following trainings:

- External Training on "Emotional Wellness" to all employees
- Training on First Aid to create awareness on health
- Employee engagement activity conducted on every alternative days
- All cultural activity celebration like Sankranti, Ugadi, Dussehra, Christmas celebration, etc.
- Women's Day celebration to increase women empowerment and recognise their achievements
- Free annual medical examination to all employees and contract workers

Health & Safety

To ensure employee health and safety and achieve zero accidents at workplace, we conducted several training sessions as mentioned below:

- General trainings on Health and Safety
- Communication of Environment, Health & Safety (EHS) policy
- Training on Hazard identification and risk assessment
- Separate funding support for external safety training
- Mock drills for safety awareness and practices
- Caution and Safety PPEs display boards across the plant

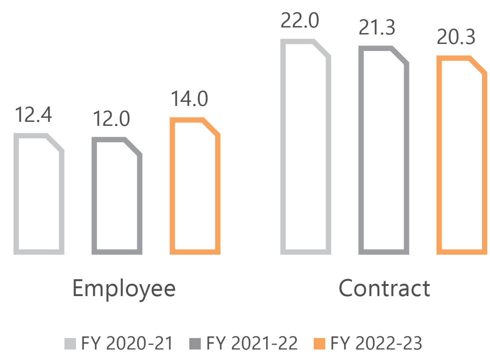
Employee Education

We place utmost importance on employee education as it provides tangible benefits which extend from the personal to the organisational and societal level. On the organisational level, employee education grows the number of talented people in a company. The result is more number of skilled and educated people and improved performance. We organised the training course on 'VDA 6.3 Process Auditor' during the year as it is a customer requirement for process betterment. A total of 5 members attended and qualified the examination.

Diversity & Inclusion

Our objective is to achieve gender parity across all levels of the organisation, from the senior leadership and decision-making bodies to business functions. We welcome talent from diverse geographies, minorities, ethnicities, and cultures. Our goal is to drive inclusivity in our workforce to strengthen our position as an equal opportunity employer.

Women Employment (%)



Awards & Certifications

Great Place To Work® Certified USA

Certificate for **Great Workplace** in the category of **Mid-Sized Organisations** from Great Place to Work Institute®, India

Certificate of Appreciation by Lions Blood Center for donating 141 units of blood by SJS employees and ensuring safe blood supply for patients

PROMOTING HOLISTIC DEVELOPMENT

Our business success is intertwined with the welfare and prosperity of the communities in which we operate. With our meaningful interventions, we strive to bring holistic development to peoples' lives and create value for society.

MAJOR CSR INTERVENTIONS

We have been empowering communities through a wide range of social interventions. As a responsible corporate, we actively undertake projects which significantly improve the lives of the people where we operate and are present.

Education & Skill Development

- Conducted free eye check-ups for 1,200 children across 13 government schools and distributed 117 spectacles to children with abnormal vision
- Distributed 800 school bags and 65 benches/round tables in 13 surrounding government schools
- Distributed e-learning kits in 7 government schools and computers to police station
- Contribution towards development of additional buildings and refurbishments of Government schools at Tathaguni & Banjarapalya
- Kumarappa Institute of Gram Swaraj – The Program Welfare of Brick lane Workers
- Contribution towards Nagaland Development Authority

Healthcare & Sanitation

- Construction of RO water plant at Agara district benefiting nearly 1,000 families
- Installation of 20 beds and medical equipment at Community Health Centre of the Government hospital at Kaggalipura
- Let's Feed the Needy - Objective to provide home cooked food to people in need at various places like Railway Station, Bus Stand, Road, Beaches, children & elderly people at Orphan centres and Old Age homes
- Santhwana Charitable Trust – Aim of coordinating social and community health care services to the poor, sick and the most neglected section of our society in India
- CBCI Society for Medical Education - Payment towards medical treatment of poor and needy

Community Development

- Initiated garbage collection drive for Agara Gram Panchayat under 'Clean Village Initiative' campaign in 7 villages which benefited 3,000 families
- Construction of two bus stops at two nearby places
- Basic office facilities provided to Police Station Kaggalipura

Sports

- Sponsorship of para-athlete Mr. Manikandan for participating in international competitions representing India. Few of the medals won for India are as below:
  - IFSC Para Climbing World Cup, Salt Lake City - Silver Medal
  - IFSC Para Climbing World Cup, Switzerland - Bronze Medal
  - National Para Climbing Championship, Bangalore - Gold Medal

GOVERNANCE

STRONG GOVERNANCE PRACTICES

At SJS, we upheld the highest standards of governance and conduct our business with integrity and fairness. The trust we have gained in the process has ensured that we are better placed to assess and manage risks, address material issues, and take the right decisions that balance the interests of all.

Governance Framework

Our approach to corporate governance and the role it plays in the organisation goes well beyond meeting compliance obligations. Our governance framework fosters our high-performing culture while underpinning the principles of ethics, integrity, sustainability, and stakeholder value. Ethical conduct of business, fairness and trust in our dealings, prevention of corruption and illegitimate disclosure of inside information, and observance of human rights are the essential principles that guide our operations.

Role of the Board

The role of the Board is to provide leadership to the Company and deliver shareholder value over the long term. The Board sets the Company's strategic objectives, making sure they align with its values and standards and the ethical business culture. The Board of Directors is entrusted with the responsibility of ensuring effective management, implementation of the business strategy, monitor the performance of the Company and the effectiveness of the corporate governance practices.

Board Committees

Various committees assist the Board in discharging its duties and responsibilities although the ultimate responsibility rests with the Board. The committees report to the Board on their activities on a periodic basis and the minutes of the committee meetings are provided to all Board members.

Our Board committees are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

Approach to Risk Management

We have a robust risk management framework focussed on identification, evaluation, prioritisation, and mitigation of all internal and external risks. The findings are reported to the Board & Risk Management Committee (RMC). The Board and the RMC ensure that a strategy is in place to mitigate risks to the extent possible and harness opportunities.

POWERED BY EXEMPLARY LEADERSHIP

Mr. Ramesh C. Jain
Chairman &
Independent Director

Mr. Ramesh C. Jain holds a B-Tech (honors) degree in mechanical engineering from the Indian Institute of Technology, Kharagpur, and a master's degree in science (industrial engineering and administration) from Cranfield University, United Kingdom. He has received the Society of British Aerospace Companies Prize in Aircraft Production, 1972-73 from Cranfield University, United Kingdom. He has previously worked for 25 years in Eicher Motors from where he retired as the Group Vice Chairman. He has also worked in Hindustan Aeronautics Limited prior to Eicher. He was also on the Board of Graziano Transmission India Private Limited, and Minda Sai Limited. He was the President of the Tractors Manufacturer Association, the Chairman of the Confederation of Indian Industries, Haryana State Council, and currently is the Director on various boards including, inter alia, Kamdhenu Limited, The Hi-Tech Gears Limited, Frick India Limited, The Hi-Tech Robotic Systemz Limited, and Modern Automotives Limited. He has also previously been engaged by the Cabinet Secretariat to guide some of the Ministries of the Government of India in preparing their departmental strategies.

Mr. K A Joseph
Managing Director -
Promoter & Co-Founder

Mr. K A Joseph is the Managing Director of our Company. He holds a bachelor's degree in science from the Bangalore University and a postgraduate diploma in business administration from the St. Joseph's College of Business Administration, Bangalore. He is one of the promoters and co-founders of our Company. He has more than 35 years of experience in the aesthetic printing business. He leads the plant and manufacturing operations for our Company and has spearheaded our Company's technological and product innovation over the years. He has also helped design the new manufacturing facility into which our Company shifted its operations in 2018. He is also a Director on the Board of Exotech.

Mr. Sanjay Thapar
CEO & Executive Director

Mr. Sanjay Thapar is the Executive Director and the Chief Executive Officer of our Company. He holds a first-class (with distinction) bachelor's degree in science (mechanical engineering) from the Delhi College of Engineering, University of Delhi. He has over 30 years of experience in the automotive industry. He started his career with Tata Engineering and Locomotive Company Limited (now known as Tata Motors Limited). He was previously the President of Minda HUF Limited, the Managing Director of Minda Valeo Security Systems, and the group Chief Strategy Officer with the Ashok Minda Group. He leads the strategy, business development, and finance functions for our Company and has played an instrumental role in formulating our sales strategy, building our customer base, deepening our customer relationships, and developing new product offerings. He has led, and has shaped, our Company's product strategy and international business expansion in recent years.

Mr. Kevin K Joseph
Executive Director

Mr. Kevin K Joseph is the Executive Director of our company. He holds a bachelor's degree in mechanical engineering from VTU. Started his career as a design engineer at Tata Elxsi in the passenger vehicles segment which shows his technical expertise and familiarity with automotive design and engineering processes. At SJS, he is driving manufacturing excellence and product innovation ensuring that the company remains competitive and stays at the forefront of its industry. He is also overseeing the day-to-day operations of the company, which involve managing teams, coordinating different departments, and ensuring that the company runs efficiently on a daily basis.

Mr. Vishal Sharma
Nominee Director

Mr. Vishal Sharma holds a bachelor's degree in textile technology from the Indian Institute of Technology, Delhi, and a post-graduate programme in management from the Indian School of Business, Hyderabad. He is currently the Managing Director – Investments and Operations with Everstone Capital Advisors Private Limited. He has previously worked with Sapient Corporation (now known as Publicis Sapient) (a division of TLG India Private Limited) and Boston Consulting Group (India) Private Limited.

Mr. Kazi Arif Uz Zaman
Nominee Director

Mr. Kazi Arif Uz Zaman holds a bachelor's degree in technology with honours in electrical engineering from the Indian Institute of Technology, Kharagpur, and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is a Chartered Financial Analyst (CFA) Charter Holder from the Association for Investment Management and Research (now known as CFA Institute, USA). He has over 25 years of experience and has previously worked with ANZ Grindlays Bank Limited / Standard Chartered Grindlays Bank / ANZ Capital Private Limited, ICICI Venture Funds Management Company Limited, and Everstone Capital Advisors Private Limited where his last designation was Managing Director – Private Equity. He is presently a Partner at GestAlt Network LLP.

Mrs. Veni Thapar
Independent Director

Mrs. Veni Thapar holds a bachelor's degree in commerce (honors) from the University of Delhi. She is a qualified Chartered Accountant and a fellow member of the Institute of Chartered Accountants of India, a qualified Cost Accountant from the Institute of Cost Accountants and a Certified Information Systems Auditor from the Information Systems and Audit Control Association, USA. She holds a diploma in the post qualification course in Information Systems Audit and a certificate in International Taxation both from the Institute of Chartered Accountants of India, has completed a Certification Programme in IT and Cyber Security for Board Members from the Institute of Development and Research in Banking Technology, holds a certificate for the online proficiency self-assessment test for Independent Director's Database as well as the IICA Valuation Certificate Program both from the Indian Institute of Corporate Affairs (under the aegis of Ministry of Corporate Affairs). Presently, she is a Senior Partner of V K Thapar & Company, Chartered Accountants and is on the Board of Bank of India as an Independent Shareholder Director (Second Term) as well as on the Board of Governors of the Indian Institute of Corporate Affairs (Second Term).

Mr. Matthias Frenzel
Independent Director

Mr. Matthias Frenzel holds a diploma engineering (FH) in mechanical engineering – material technology from the Technical College, Berlin, and a master's degree in business administration from the Düsseldorf Business School GmbH. He has previously worked as the Director (mechanics, electromechanics procurement supplier quality) with Visteon Electronics Germany GmbH, S-Y Systems Technologies Europe GmbH, and Johnson Controls GmbH.

MANAGEMENT TEAM

Mr. K A Joseph
Managing Director -
Promoter & Co-Founder

Mr. Sanjay Thapar
CEO & Executive Director

Mr. Mahendra Kumar Naredi
Chief Financial Officer
(w.e.f. 4 August 2022)

Mr. Mahendra Kumar Naredi is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce (honors) & law from Rajasthan University. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and a qualified Company Secretary from the Institute of Company Secretaries of India. He has more than 20 years of experience in financial management, key accounting, financial analysis, planning & forecasting, fund raising, merger & acquisitions, taxation, corporate secretarial, legal compliance and strategies. He has previously worked for 13 years in 'The Spark Minda Group' at various positions such as CFO – European companies, CFO & Company Secretary – Minda Vast Access Systems Private Limited, Corporate Finance Head – Minda KTSN and his last designation was AVP - Corporate Finance at – Minda Corporation Ltd (IN). He joined SJS Enterprises in August 2022.

Mr. Sadashiva Baligar
Chief Operation Officer

Mr. Sadashiva Baligar is the Chief Operation Officer of our Company. He holds a bachelor's degree in engineering (mechanical) from University of Mysore. He served as Vice President Operations at Toyota Kirloskar Auto Parts Ltd for 8 years prior to joining SJS. He has also completed the Global Leadership Development program I 2016 from the Toyota Institute at Japan during his tenure with Toyota Motors Corporation. He has worked as Vice President Operations with Motherson Automotive Technologies and Engineering Limited, a division of Motherson Sumi Systems Limited. He has served Malaysian Public conglomerate DRB-HICOM - Automotive Manufacturers (Malaysia) SDN BHD – at Malaysia and as COO of Hicom Automotive at Thailand. He was Vice president of operations with Musashi Auto Parts India Private Limited. He was the state convenor of Automotive Component Manufacturers Association of India – Karnataka State and Hosur region in Fiscal 2020. He was also a head of Manufacturing panel of CII – Karnataka chapter 2018 /19. He joined our company in April 2021.

Mr. R. Raju
Chief Marketing Officer

Mr. R. Raju is the Chief Marketing Officer of our Company. He holds a diploma in mechanical engineering from the Thiagarajar Polytechnic, Salem, a diploma in production management from Annamalai University, Tamil Nadu, a post graduate diploma in marketing management and a master's degree in business administration (marketing management) from the Indira Gandhi National Open University. He has over 23 years of experience in the field of marketing and has previously worked with ITW India Limited, Sundaram Auto Components Limited (A TVS Group company) and Minda Group both overseas & India associated with Minda Asean at Indonesia & Minda SAI Limited. He joined our company in April 2020.

AWARDS AND ACCOLADES

SJS Enterprises Limited receives **"Great Place to Work"** certification consistently for the consecutively fourth year. We have received this certification under Mid-Size organisations category with 100-500 employees. The certificate is honoured by Great Place to Work Institute, the Global Authority on Workplace Culture Assessment and valid from February 2023 to February 2024.

ACMA Southern Region held 14th Regional Kaizen Contest on 16 December 2022. SJS team participated in the contest and won 3rd prize in Regional Kaizen Contest, held by ACMA Southern Region

Honda India recognition for Consistent Good Quality Product supplied for exports

Visteon award for the Extra mile Support for the flawless launch of Scorpio – N

WON 8 AWARDS FOR QUALITY AND DELIVERY PERFORMANCE

6 awards at Quality Circle Forum of India

Lumax - Certificate of Appreciation

Visteon - Certificate of Appreciation

CORPORATE INFORMATION

Board of Directors

Mr. Ramesh C. Jain
Chairman and Independent Director

Mr. K A Joseph
Managing Director & Co-Founder

Mr. Sanjay Thapar
CEO & Executive Director

Mr. Kevin K Joseph
Executive Director

Mr. Vishal Sharma
Nominee Director

Mr. Kazi Arif Uz Zaman
Nominee Director

Mr. Matthias Frenzel
Independent Director

Mrs. Veni Thapar
Independent Director

Chief Financial Officer

Mr. Mahendra Kumar Naredi
(w.e.f. 4 August 2022)

Company Secretary & Compliance Officer

Mr. Thabraz Hushain. W

Registered & Corporate Office

Sy. Nos – 28/P16 of Agra Village & 85/P6 of
BM Kaval Village, Kengeri Hobli
Bengaluru South - 560 082
Karnataka, India
Tel: +91 80 6194 0777
Email: compliance@sjsindia.com
Website: www.sjsindia.com

Statutory Auditor

M/s. BSR & Co. LLP,
Chartered Accountants

Secretarial Auditor

Mr. C. Dwarakanath,
Company Secretary in Practice

Cost Auditor

M/s. PSV & Associates
Cost Accountants

Internal Auditor

M/s. Kumbhat & Co.
Chartered Accountants

Registrar and Share Transfer Agents

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400 083
Tel: +91 22 4918 6000
Fax: +91 22 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

Bankers

State Bank of India
Citi Bank N A
Kotak Mahindra Bank Limited

Management Discussion & Analysis (MD&A)

ECONOMIC OVERVIEW

Global Economy

Following a turbulent year in 2022, the global economy is seen demonstrating signs of resilience in 2023. The geopolitical tensions caused by the prolonged Russia-Ukraine war, supply chain disruptions, higher inflation, and tighter monetary conditions derailed the economic recovery in CY 2022. Global economic growth remains low by historical standards and financial risks have increased. International trade was also severely impacted in 2022 due to global economic slowdown, persistent inflation, supply chain bottlenecks, and subdued consumer sentiments. However, economic conditions have started showing signs of stabilisation in early 2023, supported by the reopening of the Chinese economy as the country unshackled itself from pandemic-related restrictions.

A key factor in the improvement in economic activity has been the easing of energy and food prices and input costs. After a year of the Russia-Ukraine war, global oil markets are seen trading in relative calm. The Brent crude oil prices reduced to US$ 85.01 per barrel in 2023 as compared to US$ 100.94 per barrel in 2022 and the average oil price is estimated to come down to US$ 81.21 per barrel in 2024.

The real Gross Domestic Product (GDP) grew in the United States, the European Union, and major emerging markets and developing economies in 2022. The United States (US) economy is showing improvement with real GDP growth at 2.1% in 2022. The European economy recorded 2.7% growth in 2022. However, the large negative terms-of-trade fallout from the Russia-Ukraine war and associated economic sanctions in Europe impacted the growth of the automotive industry. The Emerging Market and Developing Economies (EMDE) grew at an annual rate of 4.0% in 2022.

The International Monetary Fund (IMF) has projected global growth to decline from 3.4% in 2022 to 2.8% in 2023 and rise to 3.0% in 2024. The global banking crisis in March 2023 following the collapse of two leading lenders in the United States (US) have triggered concerns of recession in the world economy. Growth in Advanced Economies is projected to decline from 2.7% in 2022 to 1.3% in 2023 before rising to 1.4% in 2024. The emerging economies are projected to decline from 4% in 2022 to 3.9% in 2023 and rise to 4.2% in 2024. China and India will be the major contributors to global economic growth and will account for 50% of the global growth in 2023. With the central banks' efforts to curb inflation by tightening monetary policies, global headline inflation is projected to decline from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024.

Global Economic Growth: Actual and Projections (%)

Particulars	2022	2023 (P)	2024 (E)
Global Economy	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
Emerging Markets and Developing Economies (EMDEs)	4.0	3.9	4.2

(P - Projections, E - Estimates)
(Source: IMF World Economic Outlook, April 2023)

Indian Economy

India outperformed and repositioned itself amongst the world's fastest growing economies, even as most developed countries faced slowing growth amidst high inflation in FY 2022-23. India's GDP growth during FY 2022-23 is estimated at 7.0% as against 9.1% growth achieved in FY 2021-22, as per the second advance estimates of National Income released by the National Statistical Office (NSO). The accelerated pace of economic reforms has led to the sustainable growth of the Indian economy and strengthened its position in the world.

The IMF projects the Indian economy to grow at 5.9% in FY 2023-24 before rising to 6.3% in FY 2024-25. The optimistic growth stems from positive factors such as strong investment activity bolstered by the government's push for infrastructure development with an allocation of ₹10 Lakh Crores, the rebound of private consumption, improvement in capacity utilisation, and revival in credit growth. The Reserve Bank of India (RBI) has also increased the repo rate by 250 basis points to 6.50% in FY 2022-23 to curb inflation and boost economic growth.

Moreover, growth-enhancing policies such as the production-linked incentives (PLI) schemes and the government's emphasis on self-reliance will boost productivity and have a multiplier effect on the Indian economy. The Indian economy remains relatively well positioned to navigate global headwinds in FY 2023-24 with unprecedented levels of optimism and multiple growth levers at play.

INDUSTRY OVERVIEW

Decorative aesthetics industry

Overview

The Indian decorative aesthetics industry caters to leading auto OEMs, global independent tier-I automotive component makers, and consumer appliance companies. The 2W segment accounts for majority of the industry share.

The decorative aesthetics industry includes production of aesthetic and visually appealing products. The discretionary consumption manufacturers strive to bring value and aesthetic superiority to their offerings to enhance their market share. Compared to other automotive parts, most aesthetic items involve lower logistics costs due to their compact nature.

Indian decorative aesthetics industry

Over the past few years, the decorative aesthetics market has witnessed a shift towards premium, aesthetically superior, and technologically advanced products triggered by evolving aspirations, higher spending propensity, rising brand consciousness, and the advent of e-mobility. According to CRISIL Report, the industry is projected to grow by ~20% CAGR to reach ₹49.2 billion by FY 2025-26, driven by an increase in the underlying application segments and growing demand for premium aesthetic products.

Indian two-wheelers sector

After three consecutive years of decline, domestic two-wheeler sales increased to 15.8 Mn units as against 13.5 Mn units in fiscal 2022, growing by 17%, in line with the rising demand for personal mobility.

The recent surge in the demand for electric two-wheelers has also supported the overall sales of two-wheelers in fiscal 2023, and this trend is expected to continue in the coming years. In the past two years, the adoption of e-scooters across India has expanded exponentially, not only in tier I cities but also in tier II towns. As per the retail sales numbers available on the Vahan portal, sales of electric two-wheelers surged to 6,15,365 units in CY 2022 from 1,51,685 units a year ago, registering a growth of over 305%.

However, supply chain disruptions, rising inflation, higher vehicle and fuel costs have resulted in subdued consumer sentiments. A persistent inflation and weak rural economy are major factors that have been weighing on demand for conventional two-wheelers. The two-wheeler segment also faced some challenges with the roll out of new emission norms from 1 April 2023. The industry is set to implement the BS-VI Stage II norms, which will require vehicles to meet more stringent emission norms, bringing it at par with Euro 6 standards. To comply with these norms, the vehicles will need to have an onboard self-diagnostic device OBD2. This device will constantly monitor the catalytic converter, oxygen sensors, among other things, to keep a close watch on emissions and will entail steep price increases. The price hikes are expected to put a further squeeze on the two-wheeler segment, especially the entry-level motorcycle category, which makes up almost a third of the entire domestic two-wheeler space. Further, a major chunk of entry-level two-wheeler consumers shifted towards EVs as fuel prices skyrocketed and concerns mounting over the running cost of petrol and diesel vehicles.

Indian passenger vehicles sector

The PV segment recorded robust sales of 3.9 Mn units in fiscal 2023 as against 3.1 Mn units in fiscal 2022, registering a growth of 27%, according to the Society of Indian Automobile Manufacturers (SIAM). Growth was driven by pent-up consumer demand, improved semiconductor chip supply, new launches and product upgrades from OEMs. However, weakness in rural demand continues, as high food inflation and increased financing cost is impacting the rural market.

Having witnessed a strong comeback from the COVID-led downturn, the passenger vehicle industry is setting out on a journey with hopes for sustained growth momentum in 2023 and embracing clean technology amid the challenges of rising interest rates and cost increases due to new emission and safety norms. The industry is bracing to meet the stringent second phase of BS-VI emission norms from April 2023. However, a slower recovery in rural sales and further price hikes by OEMs could act as possible headwinds for the sector.

Indian consumer durables sector

The demand for a wide range of consumer durable products is steadily increasing, driven by rising disposable incomes and evolving preferences for technologically advanced products. Bolstered by premiumisation trends, pent-up demand and favourable policy initiatives, India's consumer electronics sector is likely to witness stupendous growth in the coming years as companies seek to expand capacity and roll out new-age smart products.

In the last two fiscals, pandemic-led disruptions had impacted consumer sentiment and offtake for consumer durable products. Although the sector is seen recovering from the slowdown caused by COVID-19, it still faces challenges such as rise in input costs, inflationary pressures, shortage of semiconductors, supply chain disruptions and geopolitical crisis in India and around the world. Despite this, the industry anticipates increased business opportunities and huge demand for appliances in the coming years. Measures to strengthen infrastructure development, improve rural incomes and reduce personal income tax rates undertaken in the Union Budget 2023 will result in higher disposable incomes and drive consumption. Further, increase in capital expenditure outlay in line with initiatives including 'Make in India' and 'Atmanirbhar Bharat' and thrust on domestic manufacturing through Production-Linked Incentive (PLI) schemes will augment the industry growth.

Growth Drivers

Increased penetration and intensity of aesthetic products

India has surpassed China as the world's most populous nation. As of 2022, India's population stood at 1.4 billion, and the number is expected to continue to rise till 2050. Growing population and rising urbanisation has been leading to lifestyle changes and higher spending propensity. This is reflected in growing demand for branded consumer durable appliances and aesthetically superior products which is likely to translate into strong growth of the Indian decorative aesthetics market.

Regulatory support

Government initiatives such as higher infrastructure investments, clean energy reforms, production-linked incentive schemes to boost manufacturing – are all expected to increase investments in the automobile and consumer appliances sector. These factors, in turn, will lead to higher growth of the decorative aesthetics market.

Technology advancement

The Indian decorative aesthetics industry is witnessing a paradigm shift to technologically superior products which include 3D appliques, digital dials/screens in automobiles, touch-based navigation in cars (optical plastics/cover glass), IMD/IML parts and lens mask assembly, among others. Therefore, new and technologically advanced product launches is seen as a product differentiator for automobile OEMs and consumer appliance companies.

Strong growth in underlying application segments

As mentioned by CRISIL, the decorative aesthetics industry in India is headed for high growth at an estimated CAGR of 20% during fiscal years FY 2023-26. Growth will be driven by rapid demand growth in the underlying application segments like automobile and consumer durables industry. SJS expects to outperform the underlying industry growth in the future and a visible shift towards premium aesthetic products.

Growing advent of electric vehicles

The electric vehicle industry in India is seen growing steadily with 100% FDI possible, new manufacturing hubs, higher incentives, and improving charging infrastructure. EVs have increasingly become a preferred mode of transportation over internal combustion engine (ICE) vehicles due to enhanced energy security, reduced reliance on crude oil, better air quality, and lower greenhouse gas emissions. EV models typically have better technology and product features such as more connected features, larger number of screens, lens mask assembly, 3D lux badges, etc. which is likely to benefit Indian aesthetic players.

BUSINESS OVERVIEW

SJS Enterprises is amongst the leading players in the Indian decorative aesthetics industry with the widest range of products across both traditional and premium segments. The Company is a unique blend of strong manufacturing and design capabilities, expert workforce, and long-standing customer relationships. The Company provides decorative aesthetic products to automobile, consumer appliances, medical devices, farm equipment, and sanitary ware manufacturers both in India and overseas.

The Company serves its customers with a diverse range of products including:

- Decals and body graphics
- 2D and 3D appliques / dials
- 3D lux badges & domes
- Overlays
- Aluminium badges
- In-mould label or decoration parts (IML/IMD)
- Lens mask assembly
- Optical plastics/Cover glass
- Chrome-plated, printed and painted injection moulded plastic parts

The Company also offers a range of aftermarket accessories for 2Ws and PVs under the brand name 'Transform'.

Business Strengths

Vast portfolio

The Company's product portfolio includes an entire gamut of traditional and premium aesthetic products as well as aftermarket accessories that serves diverse industries including two-wheelers, passenger vehicles, commercial vehicles, consumer durables, farm equipment, medical devices, and sanitary ware. Continuous innovation and product development enables the Company to keep up with the evolving trends and stay ahead.

Manufacturing and supply chain competencies

The manufacturing infrastructure of SJS includes two facilities, one state-of-the-art facility situated in Bengaluru and other in Pune spread across a built up area of 2,35,000 and 68,350 sq. ft. respectively. Its strong manufacturing capabilities enable SJS to produce high-precision, quality products for customers. SJS has the scale and capability to manage 6,700 SKUs and supplied more than 136 Mn parts to 175+ customer locations across 22 countries during fiscal 2023, a feat achieved by very few players in the industry. Its robust supply chain network along with low-weight, transport-friendly products, and a centralised delivery system enables the Company to meet timely deliveries of products.

The Bengaluru facility's capacity is fungible, enabling it to interchange capacity and product mix and de-risk the business model. This facility is LEED Gold certified (Leadership in Energy and Environment Design) by the US Green Building Council. All our manufacturing units conform with the global regulatory, quality, and manufacturing standards viz. ISO 9001, TS 16949, IATF ISO 14001, and OHSAS 18001. Consistent investments are made in better technologies and systems to improve processes, develop new generation products, optimise costs, and enhance efficiencies.

Innovation and new product development

Innovation and new product development are the cornerstones of success for the Company. Its unique R&D and design capabilities facilitate production of new-age, premium products that cater to evolving customer needs. The Company has a dedicated in-house team of 90+ New Product Development (NPD) personnel which has developed/entered 5-6 new product categories in the past 6 years, accounting for 9-10% of the Company's revenues in FY 2022-23 from 2-3% in FY 2018-19.

Long-standing customer relationships

The Company's robust capabilities, quality performance, price competitiveness and timely delivery along with a structured focus on premiumisation and customer specifications have made it a preferred partner for the world's renowned and most esteemed brands. SJS has been associated with its 10 largest revenue contributors for an average of ~19 years which is a testament to its strong and trusted customer relationships.

Quality edge

Quality is pivotal to the Company's business given the visual and aesthetic nature of its products. The Company has a dedicated team of 90 people in quality assurance who monitor every aspect of production right from the quality of raw material, manufacturing processes, and the end products. Also, the Bengaluru facility meets ISO class 7 dust-free clean room specifications for manufacturing high-precision products. The products manufactured for the automotive industry are subject to compliance with the restriction of certain hazardous substances (RoHS) and International Material Data System (IMDS) guidelines. Exotech's products are certified by the National Accreditation Board for Testing and Calibration Laboratories.

Strong financial position

The Company maintains a strong and de-leveraged balance sheet with total equity of ₹4,296.4 Mn and borrowings (current and non-current) of ₹203.7 Mn. As on 31 March 2023, the Company's cash and cash equivalents stood strong at ₹1,648.2 Mn.

Financial Performance

During fiscal 2023, consolidated revenue of the Company stood at ₹4,330.5 Mn compared to ₹3,698.6 Mn reported in fiscal 2022, registering a growth of 17.1%. Of the total revenue, 2Ws segment accounted for a share of 44.8% (42.6% in fiscal 2022), followed by the PV segment at 32.5% (29.8% in fiscal 2022) and consumer durables at 15.4% (19.6% in fiscal 2022). Revenue from exports was at ₹319.6 Mn in fiscal 2023 as against ₹468.1 Mn in fiscal 2022.

EBITDA of the Company stood at ₹1,167.8 Mn in fiscal 2023, on a healthy margin of 26.4%. The Profit after Tax (PAT) stood at ₹672.5 Mn in fiscal 2023, on a margin of 15.5%.

Key Financial Ratios Standalone Operation as per SEBI Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018

Particulars	Fiscal 2023 Consolidated
Debtors Turnover	4.9x
Interest Coverage Ratio	40.5x
Current Ratio	3.4x
Debt Equity Ratio	0.1x
EBITDA Margin (%)	26.4%
Net Profit Margin (%)	15.5%
Return on Net Worth (RoNW) (%)	15.7%
Return on Capital Employed (ROCE)	33.3%

Operational Highlights FY 2022-23

- Added marquee customers like:
  - Alladio, a Mabe Group company and a leading manufacturer of consumer appliances in Latin America
  - Atomberg Technologies and IFB Industries in consumer appliances
  - Entered the FMCG segment with John Distilleries for speciality decals
  - Litemed for medical equipment
- Added new customers in EV segment such as Foxconn, Benling India, Gravton Motors, Navbharat Edison Motors, BuymyEV, and TI India.
- Continued growing business and building mega accounts by winning new orders from TVS Motors, Bajaj Auto, Honda Motorcycle and Scooters India , Royal Enfield, M&M, Maruti Suzuki, Tata Motors, Whirlpool, Samsung, among others.

- Exotech won first-ever export market order by cross-selling chrome-plated parts to Whirlpool in North America.
- Secured businesses with existing customers and new marquee customers - Forayed into new country, Argentina and expanded footprint in North America (Ohio).
- Appointed sales representative in Columbia, in addition to Brazil and Argentina, thereby covering key markets of Latin America.
- Focussing on developing futuristic products such as automotive display cover glass, illuminated logos and optical plastics among others.

In July 2023, SJS completed acquisition of 90.1% stake in Walter Pack Automotive Products India Private Limited (WPI), a subsidiary of Walter Pack Spain, for a total cash consideration of ₹2,393 Mn.

RISK MANAGEMENT

Macro-economic Risk

Global growth slowdown, supply chain disruptions, rising inflation, and geopolitical tensions may impact the end-user industries and business of the Company.

Mitigation

Easing of geopolitical concerns, recovery in economic activity and consumer demand with favourable government policies will spur economic growth. The Company consistently ensures sales from diverse customers and geographies to mitigate risks arising from unfavourable macroeconomic events in any particular geography.

Competition Risk

The Company faces competition from both organised as well as unorganised players. Failure to supply innovative and high-quality products may result in the loss of market share and profitability.

Mitigation

The Company leverages its rich expertise and best-in-class technology to produce innovative and differentiated products to mitigate competition and stay ahead in the market. The Company has the capability to handle 6,000+ SKUs and ensures delivery of quality products within the required time period.

Operational Risk

Failure in manufacturing or R&D operations or delay in new product launches may impact the business and revenues of the Company.

Mitigation

The Company adopts and follows all the health and safety measures at its plants to ensure seamless operations. Moreover, the New Product Development (NPD) team of the Company ensures consistent innovation and launch of new, premium products in line with the evolving trends to ensure business continuity.

Technology Risk

Inability of the Company to keep up with the evolving technology trends may impact the revenue and margins of the Company.

Mitigation

Consistent investments in modern technologies and processes have enabled SJS to create a robust innovative portfolio. Further, its acquisition of Exotech along with its expert design team has strengthened its technology edge. SJS's strong NPD team, has in the past 6 years, developed 5-6 new products contributing 9-10% of its revenue in fiscal 2023 and is aggressively working on new-generation products such as In-Moulded Electronics (IME) parts, cover glass, printed electronics, etc. The acquisition of WPI will further enhance the technology edge and enable SJS to build capabilities in complementary adjacent IMD, IML, IMF, and IME technologies which are new generation advanced technologies. The Company's strategy is to continuously innovate and stay ahead of the curve in terms of product offerings and new technologies.

Customer Risk

Loss of key customers due to unforeseen or adverse events may affect the Company's reputation and revenue growth.

Mitigation

The Company's vast product portfolio and superior quality and designs enable it to serve diverse customer requirements. The average relationship with the top 10 customers is approximately 19 years which is a testament to its successful, long-standing relationships with customers across the world. Further, SJS insulates itself from customer concentration risk by foraying into new markets and end-segments and acquiring new customers.

Currency Risk

Being a major importer of raw materials and exporter of finished goods, SJS is vulnerable to adverse exchange rates and volatility in currency movements which may impact its margins and profitability.

Mitigation

Continuous monitoring of the movement in exchange rates insulates the Company from adverse fluctuations. Further, during the year, the Company did not enter into any hedging arrangements owing to the global economic turmoil. The Company imports some raw materials and export some of their products, hence it acts as natural hedge.

Crude Risk

Rapid increase in crude oil prices due to adverse macroeconomic events, heightened inflation and geopolitical tensions may impact the margins of the Company.

Mitigation

The Company undertakes VA/VE actions, energy conservation, waste reduction, and alternate sourcing to minimise the impact of increase in prices of input costs and raw materials. It also approaches its customers to negotiate in order to get price increases, on a case-by-case basis, to minimise the impact of rising crude prices. Further, its long-standing relationships with suppliers ensure steady and uninterrupted supply of raw materials at competitive prices. The Company also has arrangements with alternate suppliers to combat sudden price fluctuation risks.

Talent Risk

Failure of the Company to retain key talent or attract skilled employees may impact the operations of the Company.

Mitigation

The Company has a conducive HR policy aimed at attracting and retaining the best talent in the industry. Regular skill development and employee engagement programmes are conducted to boost employee morale and productivity. We also have an attractive ESOP policy to incentivise the performing employees and retain them for a longer tenure.

OUTLOOK

SJS is extremely optimistic about its growth prospects in the medium to long-term given the positive outlook in the automotive industry, particularly with the expected recovery in the 2W industry, growing premiumisation trend and customer preferences for new-age, aesthetically superior, technology products. Recovery in the consumer durables sector and export markets will further add momentum to its growth trajectory.

The Company continues to focus on its key strategic priorities which include increasing global presence; addition of new customers as well as building mega accounts with existing customers; and introduction of futuristic products and technologies for varied customer needs. Plans on the anvil also include expanding chrome-plating capacity post-acquisition of Exotech to meet the high customer demand pipeline. Despite the near-term challenges in the operating environment, SJS is well poised to capitalise on the burgeoning opportunities and clock a 20-25% CAGR growth in revenue for the next three years organically while maintaining best-in-class margins.

GROWTH STRATEGY

1. Organic growth - expected at ~20 - 25% CAGR for FY 2024-26, maintaining best in class margins

a) Increasing global presence through exports

Increasing global presence by entering new geographies and enhancing exports is an important focus area for SJS. It continually strives to enhance presence in existing geographies and enter newer markets by banking on its strong customer relationships. The Company is strengthening its sales force in the international markets of Turkey, Brazil, and Argentina and exploring similar opportunities in other countries. In FY 2022-23, the Company appointed a sales representative in Columbia, thereby covering key markets of Latin America.

b) Growing mega accounts with key customers

Building mega accounts with key customers and increasing customer base by expanding the array of products and exploring cross-selling opportunities between SJS and Exotech is another important priority. During the year, the Company continued growing business with mega accounts by winning new orders from TVS Motors, Bajaj Auto, Honda, Royal Enfield, M&M, Maruti Suzuki, Tata Motors, Whirlpool, Samsung, among others. It also secured businesses with existing customers and new marquee customers across automotive and consumer appliances segment. On account of SJS' strong relationship with Whirlpool, Exotech also won its first-ever export order for chrome-plated parts to Whirlpool in North America, thereby highlighting the cross-selling opportunities that lie between the two companies. With the acquisition of WPI, SJS will witness tremendous cross-selling opportunities owing to a wider product portfolio and increased customer base between SJS, Exotech, and WPI.

c) Focus on innovation and new product development

Leveraging its strong in-house design and engineering capabilities, the Company focusses on developing new-age, premium products and technologies that are complex to manufacture and will increase its addressable market significantly. It intends to introduce Illuminated logos, In-Moulded Electronics (IME) parts, printed electronics, and smart surface technologies, among others. The acquisition of WPI is an important strategic step for SJS that will reinforce its IML capabilities and add IMD technology and 2k moulding capability. It will open new business opportunities in terms of offering innovative vehicle interior lighting and IME solutions for new generation of vehicles. Addition of these futuristic technology products will help strengthen its positioning as a one-stop aesthetic solutions provider to automotive and consumer appliances segments and will also increase the kit value of products.

d) **Diversifying business**

Another important strategy of the Company is diversifying into new business verticals. Supported by its strong domain expertise and innovative capabilities, SJS is exploring opportunities in medical equipment and expanding presence in sanitaryware as well as other consumer appliances segments such as Smart TV and fans segments with new order wins in these categories.

2. **Mergers & Acquisitions - evaluating opportunities and building an M&A pipeline to give an impetus to revenue growth over and above the organic growth of ~20-25%**

Growing via strategic inorganic opportunities

Having successfully integrated Exotech business and demonstrating credible business improvement, SJS is actively evaluating inorganic opportunities and building a pipeline of strategic mergers and acquisitions to enhance its market share and revenue growth. This will be supported by new product development, enhanced presence in consumer-related industries, and geographic expansion of business.

SJS has been able to successfully integrate the business in two years of the acquisition resulting in doubling of revenues at Exotech coupled with improvement in EBITDA margins. Exotech achieved over 35% YoY revenue growth in each year with FY 2022-23 revenue at ₹1,387.3 Mn. EBITDA margin increased by 300 basis points (bps) to 15.2% in FY 2022-23 from 12.2% in FY 2020-21 on the back of higher sales growth, softening in raw material prices, and operational efficiencies.

Following the successful integration of Exotech business, SJS acquired 90.1% stake in Walter Pack Automotive Products India Private Limited (WPI) in April 2023. WPI, a subsidiary of Walter Pack Spain, is a leader in the design and development of high, value-added functional decorative parts in the Indian market. WPI caters primarily to the passenger vehicle and consumer electrical segments, which will further diversify SJS' revenues and make it a leading supplier to the automotive and consumer segments in Asia.

WPI is one of the very few companies in India that is proficient in advanced IMD, IMF, IML and IME technologies, providing a strong technological advantage. WPI's technological capabilities perfectly complement SJS' design to delivery expertise, providing customers with a complete one-stop shop solution. It will open new business opportunities, enabling SJS to offer innovative vehicle interior lighting and IME solutions for new generation of vehicles in the future. With this acquisition, SJS foresees a strong growth potential to acquire new customers and increase share of wallet with existing customers and increase in cross-selling opportunities between SJS, Exotech and WPI. Post this acquisition, SJS will become one of the significant players in interior aesthetics decoration for the PV segment.

HUMAN RESOURCES

Employees are the most valuable asset for SJS as the growth and success of the organisation depends on the contribution of its talented workforce. The Company believes its employees must have a sense of belonging and connection with the workplace in order to perform to their full potential. It intends to create a meritocratic environment that encourages learning and growth and empowers people to deliver the best outcomes.

The employees acquire best-in-class competencies and are systematically groomed to take on responsibilities through on-the-job mentoring, learning and development interventions, rewards and recognitions, and exposure to diverse role opportunities. SJS places a high value on employees and ensures to support and stand by them through thick and thin. It encourages diversity of thought, experience, and background at every level and is committed to hiring, developing, and retaining diverse talent.

During the year, the Company provided health and safety trainings such as hazard identification and risk management, and safety mock drills, among others. The Company also created significant opportunities to educate employees and boost their capabilities which provided tangible benefits at both personal and organisational levels. It conducted employee education program on 'VDA 6.3 Process Auditor' which is a requirement for process betterment. A total of 5 members attended and qualified the examination.

Learning and Development Dashboard

Category	Total Training Hours in FY 2022-23		
	Total	Safety	Skill Development
Staff	2,273	478	1,795
Workers	2,225	688	1,537

As on 31 March 2023, the Company's employee strength stood at ~2,000 including factory labours and corporate employees. The staff attrition rate was reduced drastically to 10.4% in fiscal 2023, primarily due to effective knowledge sessions, employee satisfaction surveys, bonus and appraisal schemes, among others. In another significant achievement, the Company was awarded 'Great Place to Work' certification for the third successive year in FY 2022-23.

ENVIRONMENT, HEALTH & SAFETY (EHS)

As a responsible corporate, SJS is committed to health, safety, and environmental concerns while balancing a sustainable growth objective. It strives to safeguard the environment by making its operations eco-friendly, optimising the use of natural resources, and reducing carbon footprint with robust policies to address climate change, biodiversity, and energy and water efficiency. At the same time, the Company strives to support communities and ensure fair working conditions and welfare of its employees.

Key environment conservation initiatives include the installation of solar panels at its factories, and sewage treatment plant for waste reduction, recycling and conservation of water; reduction of diesel usage; etc. Nearly 51.22% of wastewater was recycled through the onsite sewage treatment plant and 62.99% through the effluent treatment plant.

During the year, SJS generated a significant portion of its power requirement for manufacturing through renewable solar energy and third party renewable energy sources. The rooftop solar power panels and solar park within the factory premises accounted for 24.15% of electricity requirement during FY 2022-23. Total installed capacity of solar plant was 1.9 MW, of which SJS generated 15,47,384 units of solar power during FY 2022-23 as compared with 19,23,149 units in FY 2021-22. The Company reduced 21,76,342 kg of carbon emissions through consumption of renewable power sources and further targets to reduce emissions by 5% in FY 2023-24. With the use of dedicated feeder, reliance on diesel consumption was almost reduced to zero. Diesel consumption for FY 2022-23 stood at 10,042 litres whereas consumption in FY 2021-22 was 92,099 litres.

The Bengaluru facility is LEED Gold certified (Leadership in Energy and Environment Design) by the US Green Building Council. It has effluent water treatment units to treat wastewater and reuse in operations. The facility undertakes various initiatives towards energy efficiency and using renewable energy (solar energy generating ~2MW) to reduce diesel usage and carbon footprint.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In its commitment to good corporate citizenship, SJS is determined to create a positive impact with its meaningful social welfare activities. Education and skill development, healthcare and sanitation, rural development, sports, and environment protection are the key focus areas for SJS. During the year, the Company spent ₹12.87 Mn towards CSR initiatives.

Key CSR initiatives undertaken during the year include:

- Construction of RO water plant at the Agara Village;
- Building of additional classrooms and school infrastructure of the Government school at Tathaguni and Banjarapalya;
- Contribution to Kumarappa Institute of Gram Swaraj for education & skill development of brick lane workers;
- Participation in garbage collection and waste management drive across 7 villages under the 'Clean Village Initiative Campaign' which benefited 3,000 families;
- Construction of 20 beds at Community Health Centre, Government Hospital of Kaggalipura which has been benefiting nearly 50 patients every day;
- Sponsoring para-athlete Mr. Manikandan for participating in international sports competitions;
- Contribution to CBCI Society for Medical Education for medical treatment of needy patients;
- Providing home meals to economically backward and needy people at railway stations, bus stands, beaches, orphanage centres, old-age homes as part of 'Lets Feed the Needy' programme;
- Conducted free eye check-ups for 1,200 children across 13 government schools and distributed 117 spectacles to children with abnormal vision;
- Distributed 800 school bags and 65 benches/round tables in 13 surrounding government schools;
- Distributed e-learning kits in 7 government schools and computers to police station.

INFORMATION TECHNOLOGY

SJS has been strengthening its information technology initiatives to increase operational and cost efficiencies, enhance quality, and drive premiumisation. The IT department of the Company has developed a team capable of executing all aspects of a Dynamics 365 implementation – Functional, Technical, and Infrastructure. This added capability will result in significant cost savings for the Company and will lead to implementation of ERP on demand according to its requirements and schedules.

The IT team brings more than 10 years of machine vision experience and capability in implementing turnkey Vision Inspection projects. This project will help in automating quality checks and reduce quality inspection labour over a period of time, which is currently being done manually. It will also help identify requirements and choosing the right vendor and equipment for the job.

The in-house ERP capability allows for quick integration of acquired companies into the existing SJS ERP eco-system providing in-depth analysis of production, finance and inventory data to the Finance and Operations teams. The Company also deploys Artificial Intelligence (AI) & Machine Learning to create capability of predicting the production rate based on a set of control parameters, by building a machine learning-based prediction model that will provide a production-rate landscape with its peaks and valleys representing high and low production.

Going forward, the Company intends to implement Material Resource Planning and Master Planning and scheduling that will keep SJS's inventory costs low and provide insights into production data to optimally utilise available resources. Plans on the anvil also include leveraging machine vision for early-stage wastage detection leading to lower CoPQ (cost of poor quality) and moving machine vision from standalone to assembly line. Automation in quality inspection will result in reduction of rejections and increase in savings.

In its efforts to fight against ransomware and malware, SJS has renewed its focus on tightening security practices and the security perimeter to strategically protect against and respond to attacks. Using early detection, prevention, and quick response, the Company has limited the overall exposure of the organisation to ransomware and other destructive attacks.

INTERNAL CONTROL SYSTEMS

The Company has a robust internal control framework in place that covers various aspects of governance, compliance, audit, control, and reporting. These internal controls are responsible for adhering to the regulatory framework, preventing frauds and errors, safeguarding assets and finances, and ensuring the reliability of financial reporting. The Company's internal audit team periodically conducts an audit of internal control systems and shares the findings with the Company's management, who in turn, takes corrective actions to maintain the efficacy and effectiveness of the internal controls.

CAUTIONARY STATEMENT

The Management Discussion and Analysis contains statements describing the Company's objectives, projections, estimates and expectations, which may be forward-looking in nature. These statements are made within the meaning of applicable laws and regulations and are based on informed judgements and estimates. There cannot be any guarantee of previous performance continuity as future performance also involves risks and uncertainties. These may include but are not limited to the general market, macroeconomic, interest rates movements, competitive pressures, technological and legislative developments, and other key factors that may affect the Company's business and financial performance.

Directors' Report

To
The Members,
S.J.S. ENTERPRISES LIMITED
(Formerly known as S.J.S. Enterprises Private Limited)

Your directors have pleasure in presenting the Annual Report of S.J.S. Enterprises Limited (the "Company") together with audited financial statements (consolidated and standalone) and the Auditor's Report for the financial year ended 31 March 2023 ("financial year").

In compliance with the applicable provisions of Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for time being in force ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), this report covers the financial results and other developments during the financial year ended 31 March 2023, in respect of the Company.

Financial Results

The financial performance of the Company for the financial year ended 31 March 2023 is summarized below:

(₹ in Mn)

Particulars	Year ended		Year ended	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	Standalone		**Consolidated**	
Revenue from operations	2,961.92	2,678.85	4,330.49	3,698.56
Other Income	85.27	34.16	101.52	41.61
Total Income	**3,047.19**	**2,713.01**	**4,432.01**	**3,740.17**
Less:- Cost of raw materials consumed	1,136.71	992.01	1,942.65	1,590.88
Less:- Changes in Inventory of FG, WIP and stores & spares	(38.67)	20.50	(74.79)	(0.10)
Less:- Employee benefit expenses	453.30	409.12	561.29	510.41
Less:- Finance costs	6.72	4.84	23.11	30.20
Less:- Depreciation and amortization expense	164.05	154.13	233.01	215.74
Less:- Other expenses	538.12	437.90	835.04	653.65
Total Expenses	**2,260.23**	**2,018.50**	**3,520.31**	**3,000.78**
Profit before Tax	**786.96**	**694.51**	**911.70**	**739.39**
Less:- Tax expenses				
- Current tax	195.48	180.12	240.19	204.39
- Deferred tax (credit)/charge	3.62	(4.22)	(1.02)	(15.18)
Total tax expense	**199.10**	**175.90**	**239.17**	**189.21**
Profit for the year	587.86	518.61	672.53	550.18
Other comprehensive (expenses) /income for the year, net of tax	(6.83)	1.82	(5.73)	(0.48)
Total comprehensive Income for the year	**581.03**	**520.43**	**666.80**	**549.70**
Earnings per equity share (face value of ₹10 each)				
- Basic (in ₹)	19.31	17.04	22.10	18.08
- Diluted (in ₹)	19.06	16.88	21.81	17.90

Directors' Report (Contd.)

Business Review

Standalone Financial Results:

During the financial year, your Company recorded a total income of ₹**3,047.19 Mn** as against ₹**2,713.01 Mn** in the previous financial year, registering an increase of **12.32%** against previous financial year.

The Company's profit after tax has increased to ₹**587.86 Mn** from ₹**518.61 Mn**, at a growth of **13.35%**.

The Company has posted highest ever total revenue ₹**3047.19 Mn** and highest ever net profit after tax ₹**587.86 Mn**.

Consolidated Financial Results:

During the financial year, your Companies recorded a total income of ₹**4,432.01 Mn** as against ₹**3,740.17 Mn** in the previous financial year, registering an increase of **18.50%** against previous financial year.

The Company's profit after tax has increased to ₹**672.53 Mn** from ₹**550.18 Mn**, at a growth of **22.24%**.

The statement also provides details of the performance and financial position of the subsidiary. Audited financial statements together with related information and other reports of the subsidiary company have also been placed on the website of the Company at https://www.sjsindia.com.

Dividend

Considering the future inorganic growth of the Company and its operations the Board of Directors of the Company does not declare final dividend for the financial year ended 31 March 2023.

Dividend Distribution Policy

Regulation 43A of the SEBI Listing Regulations, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, makes it mandatory for the top 1000 listed entities based on their market capitalization calculated as on 31 March of every financial year to formulate a Dividend Distribution Policy.

In compliance with the provisions of Regulation 43A of the SEBI Listing Regulations, the Board of Directors of the Company at its meeting held on 19 July 2021 has approved and adopted the Dividend Distribution Policy of the Company. The said policy inter alia, lays down various parameters relating to declaration/ recommendation of dividend and is available on the Company's website at https://www.sjsindia.com/investors.html#policies.

Transfer of Unclaimed Dividend to the Investor Education and Protection Fund

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends of a Company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remains to be paid and require to be transferred to the IEPF by the Company during the year ended 31 March 2023.

Reserves

The Company has not transferred any amount to reserves for the financial year ended 31 March 2023.

Share Capital

During the financial year, the Company has not altered/ modified its authorised share capital.

Management Discussion & Analysis Report

Pursuant to Regulation 34(2) of SEBI Listing Regulations, the Management Discussion and Analysis Report forms an integral part of the Annual Report.

Corporate Governance

Pursuant to Regulation 34(3) of SEBI Listing Regulations, a report on Corporate Governance along with a Certificate from the Company Secretary in Practice towards compliance of the provisions of Corporate Governance forms an integral part of the Annual Report.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format is forms an integral part of the Annual Report.

Particulars of Related Party Transactions

Related party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in compliance with the SEBI Listing

Regulations, and as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is enclosed to this report as **Annexure – A**.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis.

Particulars of Inter-Corporate Loans or Investments or Guarantees or Security

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

Further, the Company has not given any guarantee or security to any person or body corporate or made any investments during the financial year.

Secretarial Standards

The Company is in compliance with the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

Orders Passed by Regulators/Courts/Tribunals

There were no significant / material orders passed by the regulators or courts or tribunals during the financial year, impacting the going concern status and Company's operations in future.

Change in Nature of Business

During the financial year, there has been no change in the Company's nature of business.

Annual Return

As per the requirements of Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the copy of annual return in the prescribed Form MGT-7 for FY 2022-23 is available on the website of the Company at www.sjsinida.com

Change in Financial Year

There has been no change in the financial year of the Company during the financial year.

Deposits

The Company has not accepted any deposits covered under Chapter V of the Act, during the financial year.

Report on Performance of Subsidiaries, Associate Companies & Joint Ventures

Subsidiary:

A statement containing salient features of the financial statements of Subsidiary is enclosed to this report as **Annexure – B**.

Associate:

A statement containing salient features of the financial statements of Associate is enclosed to this report as **Annexure – B**.

Joint venture companies:

There are no joint venture companies as of 31 March 2023.

Corporate Social Responsibility ("CSR")

In accordance with the requirements of Section 135 of the Act, the Company has constituted the CSR Committee and also formulated a CSR Policy which is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

The CSR Policy was amended vide the resolution of the Board of Directors dated 19 July 2021 to incorporate amendments brought about to the provisions of Section 135 of the Act and the Rules vide notification dated 22 January 2021 issued by Ministry of Corporate Affairs.

The Annual Report on CSR activities of the Company for the financial year as required to be given under Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed to this report as **Annexure – C**.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment. 'Care and Dignity Policy' is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

Directors' Report (Contd.)

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year.

Details of complaints received and redressed during the financial year:

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

Vigil Mechanism and Whistle Blower Policy for Directors and Employees

The Company has formulated a comprehensive Whistle Blower Policy in line with the provisions of Section 177(9) and Section 177(10) of the Act, with a will to enable the stakeholders, including directors, individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company.

The mechanism provides adequate safeguards against victimization of directors or employees who avail the mechanism. The Vigil Mechanism and Whistle Blower Policy is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

Board of Directors

Your Company's Board comprises of the following Directors as on the end of the financial year:

Sl. No.	Name of Director	Designation
1.	Mr. Ramesh C Jain	Chairman & Independent Director
2.	Mr. K. A. Joseph	Managing Director
3.	Mr. Sanjay Thapar	CEO & Executive Director
4.	Mr. Kevin K Joseph	Executive Director
5.	Mr. Vishal Sharma	Nominee Director
6.	Mr. Kazi Arif Uz Zaman	Nominee Director
7.	Mrs. Veni Thapar	Independent Director
8.	Mr. Matthias Frenzel	Independent Director

Rotation of Director:

As per Section 152 of the Act, unless Articles provide otherwise, at least two-thirds of the total number of directors shall be liable to retire by rotation of which one third shall retire at every Annual General Meeting.

In view of the above mentioned provision, Mr. Vishal Sharma, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board has considered and approved the recommendation of the Nomination & Remuneration Committee in their meeting held on 15 May 2023 to re-appoint Mr. Vishal Sharma as Director of the Company, liable to retire by rotation, subject to the approval of the shareholders in the forthcoming Annual General Meeting.

Key Managerial Personnel

Pursuant to Section 203 of the Act, the following persons are the Key Managerial Personnel of the Company as on the end of the financial year:

Sl. No.	Name of Director	Designation
1.	Mr. K. A. Joseph	Managing Director
2.	Mr. Sanjay Thapar	CEO & Executive Director
3.	Mr. Kevin K Joseph	Executive Director
4.	Mr. Mahendra Kumar Naredi	Chief Financial Officer
5.	Mr. Thabraz Hushain. W	Company Secretary & Compliance Officer

Declaration by Independent Directors

The Company has received declarations from each of its Independent Directors under Section 149(7) of the Act and Regulation 25(8) of SEBI Listing Regulations, confirming compliance with the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Directors during the financial year.

All Independent Directors of the Company have affirmed compliance with Schedule IV of the Act and Company's Code of Conduct for Directors and Employees for the financial year.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ('IICA') towards the inclusion of their names in the Independent Director's Databank maintained by IICA and meet the requirements of proficiency self-assessment test.

Risk Management

The Board of Directors of the Company have formed a Risk Management Committee to identify, assess and mitigate the risks involved in the Company's business. The committee is responsible for assisting the Board in understanding existing risks, reviewing the mitigation and elimination plans.

The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified are systematically addressed through mitigating actions on a continuing basis.

Committees

As per the requirements of the Act and SEBI Listing Regulations, the following committees have been constituted by the Board. The composition of the committees as on the end of the financial year is as follows:

Audit Committee:

The composition of the Audit Committee, pursuant to Section 177 of the Act and Regulation 18 of SEBI Listing Regulations is as follows:

Sl. No.	Name of Director	Position on the Committee	Designation
1	Mrs. Veni Thapar	Chairperson	Independent Director
2	Mr. Ramesh C Jain	Member	Chairman & Independent Director
3	Mr. Vishal Sharma	Member	Nominee Director

Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee, pursuant to Section 178(1) of the Act and Regulation 19 of SEBI Listing Regulations is as follows:

Sl. No.	Name of Director	Position on the Committee	Designation
1	Mrs. Veni Thapar	Chairperson	Independent Director
2	Mr. Ramesh C Jain	Member	Chairman & Independent Director
3	Mr. Vishal Sharma	Member	Nominee Director

Stakeholders Relationship Committee:

The composition of the Stakeholders Relationship Committee, pursuant to Section 178(5) of the Act and Regulation 20 of SEBI Listing Regulations is as follows:

Sl. No.	Name of Director	Position on the Committee	Designation
1	Mr. Matthias Frenzel	Chairman	Independent Director
2	Mr. K A Joseph	Member	Managing Director
3	Mr. Sanjay Thapar	Member	CEO & Executive Director
4	Mr. Kazi Arif Uz Zaman	Member	Nominee Director

Risk Management Committee:

The composition of Risk Management Committee, pursuant to Regulation 21 of SEBI Listing Regulations is as follows:

Sl. No.	Name of Director	Position on the Committee	Designation
1	Mr. Sanjay Thapar	Chairman	CEO & Executive Director
2	Mrs. Veni Thapar	Member	Independent Director
3	Mr. Vishal Sharma	Member	Nominee Director

Corporate Social Responsibility Committee:

The composition of CSR Committee, pursuant to Section 135 of the Act is as follows:

Sl. No.	Name of Director	Position on the Committee	Designation
1	Mr. Matthias Frenzel	Chairman	Independent Director
2	Mr. K A Joseph	Member	Managing Director
3	Mr. Sanjay Thapar	Member	CEO & Executive Director
4	Mr. Vishal Sharma	Member	Nominee Director
5	Mrs. Veni Thapar	Member	Independent Director

Internal Financial Controls

The Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

Auditors & Audit Report

Statutory Auditors:

M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), Bengaluru, the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Act, up to the conclusion of the 20th Annual General Meeting of the Company.

Directors' Report (Contd.)

Further, the report of the Statutory Auditors along with notes to Schedules forms part of the Annual Report which is self-explanatory. There has been no qualifications/ reservations/ adverse remarks given by the Statutory Auditors in their Report for the financial year.

Cost Auditors:
In terms of provisions of Section 148 of the Act read with the Companies (Accounts) Rules, 2014, Cost Audit is applicable to the Company. The accounts and records are made and maintained by the Company as specified by the Central Government under Section 148(1) of the Act. M/s PSV & Associates, Bengaluru, Cost Accountants (Firm Registration No. 000304), appointed as the Cost Auditors for conducting audit of cost accounting records of the Company for the financial year, will submit their report to the Board within a period of one hundred eighty days from the end of the financial year as required under the Act; the Company shall file a copy of the said report in Form CRA-4 within a period of thirty days from the date of its receipt.

The Cost Audit Report for the financial year 2021-22 dated 21 September 2022 issued by M/s PSV & Associates, Bengaluru, Cost Accountants (Firm Registration No. 000304) was filed with the Ministry of Corporate Affairs.

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Board on the recommendation of Audit Committee, reappointed M/s PSV & Associates, Bengaluru, Cost Accountants, (Firm Registration No. 000304) for conducting audit of cost accounting records of the Company for the financial year 2023-24. As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the members, in the forthcoming annual general meeting for their ratification. Accordingly, a resolution seeking members' approval for the remuneration payable to M/s. PSV & Associates, Cost Accountants, is included in the Notice of the forthcoming annual general meeting.

Secretarial Auditor:
The Board, based on the recommendation of the Audit Committee has appointed Mr. Dwarakanath C, Practicing Company Secretary (FCS No. 7723 and Certificate of Practice No. 4847) as the Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year.

The Secretarial Audit Report in Form MR-3 is enclosed to this report as **Annexure – D**.

Internal Auditors:
Pursuant to Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. Kumbhat & Co, Chartered Accountants, Coimbatore (Firm Registration No. 0016095) as the Internal Auditors of the Company for the financial year.

The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the management's comments.

Details in Respect of Frauds Reported by Auditors under Sub-Section (12) Of Section 143 of the Act

During the financial year, no frauds were reported by the Auditors under Section 143(12) of the Act.

Material Changes and Commitments, If Any Affecting the Financial Position of the Company Occurred After the End of the Financial Year and Till the Date of the Report

- During the FY 2023-24 your Company has approved the acquisition of 90.1% stake in Walter Pack Automotive Products India Private Limited ("WPI") for a total cash consideration of ₹2,393 Mn. Pursuant to the successful completion of this acquisition, WPI will become the subsidiary of your Company.

- During the FY 2023-24 your Company has approved to increase the authorized share capital of the Company from ₹35 Crores to ₹50 Crores.

During the FY 2023-24 your Company has approved to issue equity shares on preferential basis upto 6,00,000 (Six Lakhs) Equity Shares of face value ₹10/- each at an issue price of ₹500/- (Rupees Five Hundred Only) per equity share to Mr. K.A. Joseph ("Investor"), Founder, Promoter & Managing Director of the Company, subject to the approval of shareholders, in accordance with the Companies Act, 2013 read with the rules made there under and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") read with other applicable regulations, if any

Meetings of the Board and Committees

The details of meetings of the Board of Directors, its Committees and General Meetings along with attendance, are included in the Corporate Governance Report which forms an integral part of the Annual Report.

Meeting of Independent Directors

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of the Independent Directors was held on 22 February 2023.

The Independent Directors at this meeting, inter alia, reviewed the following:

- Performance of Non-Independent Directors (both Executive and Non-Executive) and the Board as a whole;
- Performance of the Chairman of the Board, taking into account the views of Executive Directors and Non-Executive Directors.
- Quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Performance Evaluation of Board and Its Committees

Pursuant to the provisions of the Act and SEBI Listing Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on 05 January 2017, the Board of Directors have evaluated the performance of all Independent Directors, Non-Independent Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory.

The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board.

The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition of Independent and Non-Independent Directors.

The following recommendations of board of directors are being implemented in the FY 2023-24:

- To allocate the additional time for meetings.
- To organize more number of in persons meetings

Non Executive Directors' Compensation and Disclosures

None of the Independent / Non- Executive Directors have any pecuniary relationship or transactions with the Company which in the judgment of the Board, may affect the independence of the Directors.

Familiarisation Programme for Independent Directors

The Company has periodically conducted familiarisation programmes for its Independent Directors with an objective of making them accustomed to the business and operations of the Company through various structured orientation programmes.

The familiarization programmes also intend to update the Independent Directors on a regular basis, on any significant changes therein so as to be in a position to take well informed and timely decisions.

The details of the familiarization programmes undertaken during the financial year is available on the website of the Company at https://www.sjsindia.com/investors.html#corporate-governance.

Particulars of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings And Outgo

Pursuant to provisions of Section 134(3)(m) of the Act & Rule 8(3)(A) of Companies (Accounts) Rules, 2014, the details of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo is enclosed to this report as **Annexure – E**.

Directors' Appointment and Remuneration Policy

The Company has framed and adopted the Nomination & Remuneration Policy in terms of Section 178 of the Act with effect from 19 July 2021. The policy, inter alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of directors, key managerial personnel and senior management personnel of the Company.

The Nomination & Remuneration Policy of the Company is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

Particulars of Employees and Related Disclosures

The details as prescribed under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration

Directors' Report (Contd.)

of Managerial Personnel) Rules, 2014, is enclosed to this report as **Annexure – G**.

Employeees Stock Option

The Company has instituted employee stock options plan(s) from time to time to motivate, incentivize, and reward employees. The Board Governance, Nomination and Remuneration Committee administers these plan(s). The stock option plans are in compliance with the Securities and Exchange Board of India (Share Based Employee. Benefits and Sweat Equity) Regulations, 2021, as amended ("Employee Benefits Regulations") and there have been no material changes to these plans during the financial year. Disclosures on various plans, details of options granted, number of shares arising as a result of exercise of options, etc., as required under the Employee Benefits Regulations, is enclosed to this report as **Annexure – F** and is available on the website of the Company at www.sjsindia.com.

Prohibition of Insider Trading

Pursuant to provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations"), the Company has adopted Insider Trading Code to regulate, monitor and report trading by insiders. This Code is applicable to Promoters, all Directors, Designated Persons and Connected Persons and their immediate relatives, who are expected to have access to Unpublished Price Sensitive Information ("UPSI") relating to the Company.

The Company has also formulated a 'Code of Practices and Procedures for Fair Disclosure of UPSI' in compliance with the PIT Regulations. The aforesaid Codes are available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Act, the Directors hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 at the end of the financial year and of the profit of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(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.

Proceedings Pending Under the Insolvency and Bankruptcy Code, 2016

No application has been made or any proceeding is pending under the IBC, 2016.

Difference in Valuation

The Company has never made any one-time settlement against the loans obtained from Banks and Financial Institution and hence this clause is not applicable.

Acknowledgements

The Board of Directors are grateful to various government and semi-government authorities, bankers, investors, vendors and customers for their valued assistance and co-operation.

The Board also wishes to place on record its deep sense of appreciation for the committed service of the executives, staff and workers of the Company.

For & on behalf of the Board of Directors

K.A. Joseph	**Sanjay Thapar**
Managing Director	CEO & Executive Director
DIN: 00784084	DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - A

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 arm's length transactions under third proviso thereto

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

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Nil
2.	Nature of contracts/arrangements/transaction	Nil
3.	Duration of the contracts/arrangements/transaction	Nil
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5.	Justification for entering into such contracts or arrangements or transactions'	Nil
6.	Date(s) of approval by the Board	Nil
7.	Amount paid as advances, if any	Nil
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details	
		1	2
1.	Name (s) of the related party	Exotech Plastics Private Limited	Exotech Plastics Private Limited
2.	Nature of Relationship	Wholly owned subsidiary	Wholly owned subsidiary
3.	Nature of contracts/arrangements/transaction	Sale of Goods and Services	Sale of property, plant and equipment
4.	Duration of the contracts/arrangements/transaction	Not applicable	Not applicable
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	…………	…………
6.	Date of approval by the Board	Not Applicable	Not Applicable
7.	Amount paid as advances, if any	-	-

For & on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

Directors' Report (Contd.)

ANNEXURE - B

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies/Joint Ventures

Part "A": Subsidiaries

(₹ in Mn)

Sr. No.	Particulars	Details
1.	Name of the Subsidiary	Exotech Plastics Private Limited *(formerly known as Exotech Zanini Industries Private Limited)*
2.	The date since when subsidiary was acquired	05 April 2021
3.	Reporting Currency and Exchange rate as on last date of the relevant Financial Year in case of Foreign Subsidiaries	Reporting Currency: INR Exchange rate : Not Applicable
4.	Share Capital	28.00
5.	Reserves & Surplus	454.95
6.	Total Assets	954.86
7.	Total Liabilities	471.91
8.	Investments	-
9.	Turnover	1,387.26
10.	Profit before Taxation	135.10
11.	Provision for Taxation	42.41
12.	Profit after Taxation	92.69
13.	Proposed Dividend	-
14.	% of Shareholding	100%

1. Names of Subsidiaries which are yet to commence operations: **Nil**
2. Name of Subsidiaries which have been liquidated or sold during the year: **Nil**

PART "B": Associates and Joint Ventures

(₹ in Mn)

Sr. No.	Name of Associates / ~~Joint Ventures~~	Suryaurja Two Private Limited
1.	Latest Audited Balance Sheet Date	31 March 2023
	Date on which the Associate/ ~~Joint Venture~~ was associated or acquired	13 April 2022
2.	Shares of Associate/ ~~Joint Venture~~ held by the Company on the year end	
	i. Number of Shares Held	600,000
	ii. Amount of investment in Associates/ ~~Joint Venture~~	6,000,000
	iii. Extend of holding %	48%
3.	Description of how there is significant influence	There is a significant influence due to percentage (%) of share capital
4.	Reason why the Associate/ ~~Joint Venture~~ is not consolidated	NA
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	0.05
6.	Profit / Loss for the year	
	i. Considered in consolidation	(0.00)
	ii. Not considered in consolidation	NA

1. Names of Associates or Joint Ventures which are yet to commence operations: **Nil**
2. Names of Associates or Joint Ventures which have been liquated or sold during the year: **Nil**

For & on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - C

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken to the CSR policy and projects or programs:

The Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation. Also embedded in this objective is support for the disadvantaged/marginalized cross section of society by providing opportunities to improve their quality of life.

The projects undertaken will be within the broad framework of Schedule VII of the Act.

2. The composition of the CSR committee:

The Company has reconstituted the CSR Committee during the financial year, as per the provisions of Section 135 of the Act and details of its members as on the end of the financial year are as follows:

Sl. No	Name of the Director	Designation/ or nature of directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Matthias Frenzel	Chairman	2	2
2	Mrs. Veni Thapar	Member	2	2
3	Mr. K. A. Joseph	Member	2	1
4	Mr. Sanjay Thapar	Member	2	2
5	Mr. Vishal Sharma	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.sjsindia.com/investors.html#corporate-governance.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

5. (a) Average net profit of the company as per section 135(5): ₹**643.57 Mn**

   (b) Two percent of average net profit of the company as per section 135(5): ₹**12.87 Mn**

   (c) Surplus arising out of the CSR projects, programs, or activities of the previous financial years: **Nil**

   (d) Amount required to be set off for the financial year, if any: **Nil**

   (e) Total CSR obligation for the financial year (b+cd): ₹**12.87 Mn**

6. (a) Amount spent on CSR projects (both Ongoing Projects and other than Ongoing Projects): ₹**12.87 Mn**

   (b) Amount spent in Administrative Overheads: **Not Applicable**

   (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

   (d) Total amount spent for the Financial Year (a+b+c+d): ₹**12.87 Mn**

   (e) I. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Mn)	Amount Unspent (₹ in Mn)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12.87	-	-	-	-	-

Directors' Report (Contd.)

II. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Amount spent for the project (₹ in Mn)**	**Mode of Implementation – Direct (Yes No)**	**Mode of implementation – Through implementing agencies:**	
				State	**District**			**Name**	**CSR registration number**
1.	Program Welfare of Brick lane Workers	Clause I & II of Schedule VII	No	Rajasthan	Jaipur	1.80	No	Kumarappa Institute of Gram Swaraj	CSR00004538
2.	Let's Feed the Needy - Main objective is to provide home cooked food to people in need at various places like Railway Station, Bus Stand, Road, Beaches, at Orphan centers and Old Age homes	Clause I of Schedule VII	No	Tamil Nadu	Chennai	0.50	No	Let's Feed the Needy	CSR00026824
3.	Health care services to the poor, sick and the most neglected section of our society in India	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.50	No	Santhwana Charitable Trust	CSR00010685
4.	Payment towards medical treatment of poor and needy	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.50	No	CBCI Society for Medical Education	CSR00008207
5.	[1]Garbage Cleaning in and around SJS (Extension of Garbage Cleaning project to another 7 villages)	Clause X of Schedule VII	Yes	Karnataka	Bangalore South	2.03	Yes	-	-
6.	Sponsoring to Mr. Manikandan – for Participating in Para Climbing world championship held across the world	Clause VII of Schedule VII	No	Pan India		0.41	Yes	-	-
7.	Government School Development Project	Clause II of Schedule VII	Yes	Karnataka	Bangalore South	4.50	Yes	-	-
8.	Construction of two bus stop	Clause X of Schedule VII	Yes	Karnataka	Bangalore South	0.76	Yes	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Mn)	Mode of Implementation – Direct (Yes No)	Mode of implementation – Through implementing agencies:	
				State	District			Name	CSR registration number
9.	Nagaland Development Authority	Clause I of Schedule VII	No	Nagaland	Nagaland	0.20	No	Investment Development Authority of Nagaland	CSR00024598
10.	Hospital Equipment	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.45	Yes	-	-
11.	Police station	Clause X of Schedule VII	Yes	Karnataka	Bangalore South	0.70	Yes	-	-
12.	RO Plant	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.53	Yes	-	-
	Total					**12.87**			

Notes:
[1]Garbage cleaning: We have taken AMC for garbage collection of segregated wet waste, dry waste and street waste in Agara Grama Panchayath jurisdiction and appointed VA Services, a vendor approved by the Panchayath for the above services, and the payment will be on monthly bill-to-bill basis.

(f) Excess amount for set off, if any: **Not applicable**

Sl. No.	Particular	Amount (₹ in Mn)
(i)	Two percent of average net profit of the company as per section 135(5)	12.87
(ii)	Total amount spent for the Financial Year	**12.87**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

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

Directors' Report (Contd.)

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

   (a) Date of creation or acquisition of the capital asset(s).

   (b) Amount of CSR spent for creation or acquisition of capital asset.

   (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

   (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For & on behalf of the Board of Directors

K.A. Joseph	**Sanjay Thapar**
Managing Director	CEO & Executive Director
DIN: 00784084	DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - D

SECRETARIAL AUDIT REPORT

For the financial year ended 31 March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
S.J.S. ENTERPRISES LIMITED
(CIN: L51909KA2005PLC036601)
Sy No 28/P16 of Agra village and
Sy No 85/P6 of B.M Kaval Village,
Kengeri Hobli, Bangalore,
Bangalore Rural, KA - 560082

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **S.J.S. Enterprises Limited** *[formerly known as S.J.S. Enterprises Private Limited]* (the "**Company**"). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2023 ("**Audit Period**"), 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for Audit Period, according to the provisions of:

(i) The Companies Act, 2013 and the rules made there under ("**Act**");

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under ("**FEMA**") to the extent of Foreign Direct Investment, Overseas Direct Investment ('ODI') and External Commercial Borrowings ('ECB') *[The Company has neither invested in the form of ODI nor raised any ECB during the Audit Period];*

(v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") :

a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable**;

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable**;

Directors' Report (Contd.)

i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable**; and

(vi) Other laws informed by the management of the Company, as applicable to the Company, are enclosed as **Annexure-1** hereto.

Further, I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meetings.

ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period, the Company has complied with the applicable laws, rules, regulations, guidelines, standards etc. as mentioned above, except for one instance where the Company has filed e-form beyond the due date, with additional fees.

I 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. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (and by complying with prescribed procedure where the meetings are called with less than seven days' notice), 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 decisions at the Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes.

I further report that:

- there are systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- the Company during the Audit period, has a material unlisted subsidiary viz. Exotech Plastics Private Limited, incorporated in India, and a separate Secretarial Audit Report has been issued by me for this entity.

C. Dwarakanath
Company Secretary in Practice
FCS No: 7723; CP No: 4847

Place: Bengaluru
Date: 15 May 2023

UDIN: F007723E000321091
Peer Review Certificate No. 647/2020

Note: This report is to be read with my letter of even date which is annexed as **Annexure-2** hereto and forms an integral part of this report.

ANNEXURE - 1

LIST OF OTHER LAWS APPLICABLE

A. Corporate laws

1. The Depositories Act, 1996 and regulation and bye-laws there under

B. Labour laws

1. The Factories Act, 1948;
2. Child Labour (Prohibition and Regulation) Act, 1986;
3. Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
4. The Contract Labour (Regulation and Abolition) Act, 1970;
5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
6. The Employees' State Insurance Act, 1948
7. The Employees' Compensation Act, 1923 and Workmen's Compensation Rules, 1924
8. The Equal Remuneration Act, 1976;
9. The Industrial Disputes Act, 1947;
10. The Industrial Employment (Standing Orders) Act, 1946;
11. The Maternity Benefit Act, 1961;
12. The Minimum Wages Act, 1948;
13. The Payment of Bonus Act, 1965;
14. The Payment of Gratuity Act, 1972;
15. The Payment of Wages Act, 1936;
16. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; and
17. The Labour Welfare Fund Act, 1965

C. Taxation laws

1. The Income Tax Act, 1961;
2. Goods & Service Tax Act, 2017
3. The Customs Act, 1962;
4. Professional tax related state-wise legislation
5. Customs Tariff Act, 1975
6. Customs and Central Excise Duties Drawback Rules, 2017

D. Intellectual property laws

1. The Trade Marks Act, 1999

E. Environmental laws

1. The Water (Prevention and Control of Pollution) Act, 1974;
2. The Air (Prevention and Control of Pollution) Act, 1981;
3. The Environment Protection Act, 1986; and
4. Hazardous and other wastes (Management and Trasboundary Movement) Rules, 2016
5. Environment Impact Assessment Notification of 2006

F. Miscellaneous laws

1. The Prevention of Money Laundering Act, 2002;
2. The Micro, Small and Medium Enterprises Development Act, 2006; and
3. The Competition Act, 2002

C. Dwarakanath
Company Secretary in Practice
FCS No: 7723; CP No: 4847

Place: Bengaluru
Date: 15 May 2023

Directors' Report (Contd.)

ANNEXURE - 2

To
The Members,
S.J.S. ENTERPRISES LIMITED
(CIN: L51909KA2005PLC036601)
Sy No 28/P16 of Agra village and
Sy No 85/P6 of B.M Kaval Village,
Kengeri Hobli, Bangalore,
Bangalore Rural, KA - 560082

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.

2. I 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 random test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc., is the responsibility of the management of the Company. My examination was limited to the verification of procedures on random test basis.

5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The list of laws applicable to the Company enclosed as Annexure-1 to the Secretarial Audit Report is as confirmed by the management of the Company. The Secretarial Audit Report is neither an assurance nor a confirmation that the list is exhaustive.

7. 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.

C. Dwarakanath
Company Secretary in Practice
FCS No: 7723; CP No: 4847

Place: Bengaluru
Date: 15 May 2023

ANNEXURE - E

INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO FORMING PART OF DIRECTORS' REPORT IN TERMS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

A) Conservation of Energy

The Company recognizes the importance of Conservation of Energy and has made considerable efforts towards this goal. During the financial year, various measures were undertaken to conserve energy and promote sustainable practices, resulting in a significant reduction in energy consumption. Some of the key initiatives and achievements in this regard are as follows:

1. **LEED Gold Rated Manufacturing Facility:** In 2019, the Company's manufacturing facility received LEED Gold certification from the U.S. Green Building Council. This prestigious recognition acknowledges the facility's adherence to environmentally friendly and energy-efficient practices.

2. **Solar Power Generation:** The Company has invested in renewable energy sources, with a total installed capacity of the solar plant being 1.9 MWp. During the financial year, the solar plant generated 1,547,384 units of solar power. By utilizing solar energy, the Company has been able to reduce its reliance on conventional electricity sources.

3. **Rooftop Solar Power Panels and Solar Park:** A substantial portion of the electricity required for the manufacturing facility is generated through rooftop solar power panels and the solar park located within the factory premises. This renewable solar energy accounts for approximately 25% of the total electricity requirements for the year.

4. **Wind Power Purchase:** In a commitment to increase reliance on renewable energy, the Company purchased 3,460,000 units of wind power during the financial year. This accounted for 43.33% of the total electricity requirement, a significant increase from the 7% recorded in the previous year. The shift to wind power resulted in cost savings of around ₹2.8 Mn.

5. **Reduced Electricity Purchase from BESCOM:** The Company has made significant progress in reducing its dependence on electricity purchased from the Bangalore Electricity Supply Company (BESCOM). Electricity purchase from BESCOM decreased from 64.37% to 33% during the financial year.

6. **Carbon Emissions Reduction:** As part of its commitment to combat climate change, the Company has set a target to double the reduction of carbon emissions in the financial year 2022-23 compared to the previous financial year. Notably, the Company is delighted to announce a substantial decrease in emissions during the financial year 2022-23, demonstrating an impressive reduction of approximately 50% compared to the previous financial year 2021-22.

7. **High Pressure Compressor and Machine Dryer Modifications:** To optimize energy usage, the Company invested in a high-pressure compressor, resulting in a remarkable 60% reduction in running costs, saving approximately 5,670 kWh per month and 68,040 kWh annually. Additionally, four machine dryers were modified with Variable Frequency Drives (VFDs) contributing to 30Hz, leading to a power saving of around 432 kWh per month and 4,800 kWh annually.

B) Water Conservation

The Company is equally committed to Water Conservation, and several initiatives were undertaken during the financial year to minimize water usage and promote responsible water management practices:

1. **Zero Water Purchase:** The Company achieved an important milestone by purchasing zero liters of water from outside sources during the financial year. This accomplishment was made possible through rainwater harvesting and maintaining underground water reserves.

Directors' Report (Contd.)

2. **Wastewater Recycling/Treatment:** To reduce the strain on water resources, the Company implemented efficient wastewater recycling and treatment practices. Approximately 51.22% of wastewater was recycled through the Sewage Treatment Plant (STP), and 62.8% of wastewater was recycled through the Effluent Treatment Plant (ETP).

3. **Chiller Water Bleed Out Reduction:** The Company actively monitored water parameters and optimized chiller operations, leading to a reduction in chiller water bleed out from 10,000 liters to 7,000 liters per day. This measure resulted in substantial water savings of around 90,000 liters per month.

   The Company remains committed to advancing its energy and water conservation efforts, leveraging renewable energy sources, and continually exploring innovative technologies to further reduce its environmental footprint. These initiatives are in line with the Company's vision to be a responsible and sustainable corporate entity. ***For more details on energy and water consumption analysis, please refer Principle 6 of the Business Responsibility and Sustainability Reporting (BRSR)***.

C) Technology Absorption

During the financial year, the Company made continuous efforts towards technology absorption, including the procurement of latest technology machines and implementation of Kaizen/process improvements. These endeavors resulted in improved quality, process efficiency, product development, increased production output, reduced rejections, enhanced employee health and safety, cost reduction, higher customer satisfaction, and overall organizational growth.

D) Foreign exchange earnings and Outgo

The details of foreign exchange earnings / outgo during the financial year are as follows:

Particulars	2022-23 (₹ in Mn)	2021-22 (₹ in Mn)
Inflow in Foreign Currency	315.78	461.21
Outflow in Foreign Currency	343.78	307.52

For & on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - F

DETAILS OF S.J.S. ENTERPRISES – EMPLOYEE STOCK OPTION PLAN – 2021

[Pursuant to the provisions of Section 62 of the Companies Act, 2013, read with Rule 12 of The Companies (Share Capital and Debentures) Rules, 2014 and Part F of Schedule I of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

The Company, pursuant to resolution passed by the Board on 12 July 2021 and the resolution passed by the members on 14 July 2021, adopted S.J.S. Enterprises – Employee Stock Option Plan – 2021 ("ESOP 2021") to create, offer, issue and allot in one or more tranches, stock options which are convertible into Equity Shares. ESOP 2021 was further amended pursuant to a resolution passed by the Board on 24 September 2021 and the resolution passed by the members on 27 September 2021.

Subsequently, pursuant to an IPO, the equity shares of the Company were listed on the BSE and NSE with effect from 15 November 2021. Accordingly, in terms of the Regulation 12(1) of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, the Company obtained approval from its shareholders through postal ballot on 29 March 2022 for ratification of the ESOP 2021 and further amended pursuant to a resolution passed by the Board on 04 August 2022.

Note: All the above approvals were based on the recommendations of Nomination and Remuneration Committee ("NRC Committee").

The purpose of ESOP 2021 is to reward the employees of the Company and its Subsidiaries any successor company thereof, for their association, retention, dedication and contribution to the goals of the Company. The aggregate number of Equity Shares issued under ESOP 2021, upon exercise, shall not exceed 2,435,000 Equity Shares at such price and on such terms and conditions as may be fixed or determined by the NRC Committee.

1,548,000 Employee stock options have been granted to a total of 328 employees of the Company under ESOP 2021 across various levels, of which 235,500 options of 66 employees have been forfeited due to resignation.

	Details of ESOP	**ESOP 2021**
1.	Description of each ESOP that existed at any time during the year:	
	Date of Shareholders approval	Refer above Para 1 & 2 above
	Total number of options approved under ESOP 2021	2,435,000
	Vesting requirement	• Options granted under ESOP 2021 shall vest not earlier than One year and not later than maximum Vesting Period of Five years from the date of Grant. • Vesting of Options would be subject to compliance with Vesting Condition(s) specified in the Grant Letter as well as continued employment with the Company including Subsidiary(ies), as relevant (please refer below "Variation in terms of options").
	Exercise price/Pricing Formula	The exercise price will be determined by the NRC Committee from time to time in accordance with the by SEBI regulation. Note: The specific Exercise Price will be stated in the grant letter
	Minimum term of options granted (years)	• Options granted under ESOP 2021 shall vest not earlier than One year and not later than maximum Vesting Period of Five years from the date of Grant. • Vesting of Options would be subject to compliance with Vesting Condition(s) specified in the Grant Letter as well as continued employment with the Company including Subsidiary(ies), as relevant (please refer below "Variation in terms of options").
	Source of shares	• NRC Committee shall, in accordance with this Plan and applicable laws, determine the source of shares during the time of exercise of options
	Variation in terms of options	Variations pertain only to the Vesting Period as follows: • All employees: after completion of 3rd year - 50%, after completion of 4th year - 25%, after completion of 5th year - 25%, • Mr. Sanjay Thapar: all after completion of 3rd year

Directors' Report (Contd.)

Details of ESOP		ESOP 2021
2.	**Method used to account for ESOP:** The Company has calculated the employee compensation cost using the Fair value method of accounting for the Options granted.	
3.	**Option Movement during the year:**	
	Number of options outstanding at the beginning of the year	1,199,500
	Number of options granted during the year	159,000
	Number of options forfeited/lapsed during the year	46,000
	No. of options vested during the year	Nil
	Number of options exercised during the year	Nil
	Total number of shares arising as a result of exercise of options	Nil
	Money realised by exercise of options	Nil
	Number of options outstanding at the end of the year	1,312,500
	Number of options exercisable at the end of the year	Nil
4.	Weighted-average exercise price of options granted during the year whose:	
	Weighted average price equals market price Exercise price is greater than market price Exercise price is less than market price	Please refer to the Note No. 39 of the Standalone Financial Statements and Note No. 39 of the Consolidated Financial Statements of the Company for the financial year ended 31 March 2023.
	Exercise price equals market price Exercise price is greater than market price Exercise price is less than market price	
5.	**Employee-wise details of options granted during the FY23 to:**	
	Senior Managerial personnel	Mr. Mahendra Kumar Naredi: 40,000 Mr. Mandeep Singh: 4,000
	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	Nil
	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil

Method and Assumptions used to estimate the fair value of options granted during the year:
The fair value has been calculated using the Black Scholes Option Pricing Model. The Assumptions used in the model are as follows:

Particulars	ESOP 2021
Grant date	Please refer to the Note No. 39 of the Standalone Financial Statements and Note No. 39 of the Consolidated Financial Statements of the Company for the financial year ended 31 March 2023.
Weighted average fair value of options granted Exercise price	
Share price at the grant date	
Expected volatility	
Risk free interest rate	
Expected dividend yield	

For & on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - G

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER 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 remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Remuneration of Director for financial year 2022-23 (₹ in Mn)	Ratio of Remuneration of each Director to the median remuneration of employees for financial year 2022-23	% Increase in remuneration
Non-Executive Directors				
Mr. Ramesh C Jain	Chairman & Independent Director	1.08	2.70	N.A.
Mrs. Veni Thapar	Independent Director	1.50	3.76	N.A.
Mr. Matthias Frenzel	Independent Director	0.73	1.82	N.A.
Mr. Vishal Sharma	Nominee Director	Nil	Nil	N.A.
Mr. Kazi Arif Uz Zaman	Nominee Director	Nil	Nil	N.A.
Executive Directors and Key Managerial Personnel				
Mr. K A Joseph	Managing Director	26.53	66.51	N.A.
Mr. Sanjay Thapar	CEO & Executive Director	34.66	86.90	N.A.
Mr. Kevin K Joseph	Executive Director	1.20	3.01	N.A.
#Mr. Mahendra Kumar Naredi	Chief Financial Officer	5.06	-	N.A.
Mr. Thabraz Hushain. W	Company Secretary & Compliance Officer	1.40	3.52	5.11%

Note: Independent directors were paid remuneration by way of sitting fees
#Mr. Mahendra Kumar Naredi, Chief Financial Officer appointed w.e.f. 04 August 2022

(b) The percentage increase in the median remuneration of employees in the financial year:
9%

(c) The number of permanent employees on the rolls of Company:
Permanent employees on the rolls of the Company as on 31 March 2023 were 502.

(d) 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 and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 7.76% whereas the increase in the managerial remuneration for the financial year was Nil.

The increment given to each individual employee is based on the employees' potential, experience, performance and contribution to the Company's growth over a period of time and also benchmarked against Industry standard.

(e) Affirmation that the remuneration is as per the remuneration policy of the company: Yes

Corporate Governance Report

In terms of SEBI (LODR) Regulations, 2015, the details of compliance for the year ended 31 March 2023.

A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

S.J.S. Enterprises Limited (hereinafter "Company") believes that good corporate governance drives the direction and control of the affairs of the Company in an efficient manner and helps in achieving the goal of maximizing the value of Company's stakeholders in a sustainable manner. Company's Governance framework is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practice of each of these creates the right corporate culture, fulfilling the purpose of Corporate Governance.

Key tools devised for achieving the enshrined objectives are a well-defined code of conduct, robust internal and financial controls, systems, transparency, risk management procedures/ systems; communications, ESH standards, product quality standards, etc., which are properly implemented through continuous review process and mechanism setup for the said purpose.

BOARD OF DIRECTORS

The Board of the Company consists of eminent individuals with optimum balance of Executive Directors, Non-Executive Directors and Independent Directors, having professional expertise from different fields including but not limited to, technical, business strategy and management, marketing, finance, governance, supply chain management and thus meets the requirements of the Board diversity.

COMPOSITION AND CATEGORY OF DIRECTORS

The Chairman is a Non-Executive Independent Director and the Board comprises of an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director as required under the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As on the end of the financial year 2022-23 and as on date, the Board comprises of eight (8) Directors, out of which three (3) are Independent Directors (including a woman director), two (2) are Non-Executive Directors and three (3) are Executive Directors.

The composition of board is covered in the Directors' Report, please refer heading "BOARD OF DIRECTORS" for more details.

The Board further confirms that in its opinion, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent from the management of the Company.

While appointing new Directors on the Board, the Nomination and Remuneration Committee of the Board considers the qualifications, positive attributes and independence as per the criteria laid down in that behalf and recommends to the Board, for its consideration, the appointment of such identified Directors.

The Board, inter alia, provides leadership, strategic guidance, objective and independent view / judgment to the Company's management. The Board meets at regular intervals for planning, assessing and evaluating all important business.

The Board members are updated from time to time, on the Company's procedures and policies as per the familiarization program devised in that behalf by the Company, copy of the same is available on the Company's website at https://sjsindia.com/investors.html#policies.

None of the Board of Directors of the Company are Director in more than twenty (20) companies or Director in more than ten (10) public companies (including private companies that are either holding or subsidiary company of a public company) or Director in more than seven (7) listed companies.

None of the Board of Directors of the Company is a member in more than 10 committees or Chairman of more than 5 committees as specified under SEBI Listing Regulations, across all the listed / public limited companies in which he/ she is a Director.

None of the Independent Directors have any material pecuniary relationship or transaction with the Company, its holding, associate or subsidiary companies. The Board confirms that the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and the Act and that they are Independent of the management.

As per the information available with the Company, except Mr. K A Joseph and Mr. Kevin K Joseph, none of the Directors are related to each other.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director (in compliance with the Act and the Articles of Association of the Company in case of meetings held at a short notice) and in exceptional cases, tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2022-23, the Board of Directors of the Company duly met five (05) times as depicted below on 12 May 2022, 26 May 2022, 04 August 2022, 10 November 2022 and 09 February 2023.

The interval between any two meetings of the Board was well within the maximum period mentioned under Section 173 of the Act and the SEBI Listing Regulations.

Information on various important business proposals including the information as stipulated in Schedule II of the SEBI Listing Regulations and recommendations of various committees have been placed before the Board for its consideration. During the financial year 2022-23, the Board has accepted all the recommendations from the Committees.

Attendance of Directors at the Board Meetings held during the financial year 2022-23 and the last Annual General Meeting held on 15 September 2022 and the number of other Directorship(s) and Committee Membership(s) or Chairpersonship(s) held by Directors are as follows:

Name of the Director Designation / Category	No. of Board Meetings		Whether attended AGM	[1]No. of other Directorships held in other companies as on 31.03.2023	[2,3&4]No. of Board/ Committee in which director is a Member / Chairperson as on 31.03.2023	
	Liable to attend	Attended			Member	Chairperson
Mr. Ramesh C Jain Chairman & Independent Director	05	05	Yes	6	4	1
Mr. K A Joseph Managing Director	05	05	Yes	1	1	-
Mr. Sanjay Thapar CEO & Executive Director	05	05	Yes	2	1	-
Mr. Kevin K Joseph Executive Director	05	05	Yes	-	-	-
Mr. Vishal Sharma Nominee Director	05	05	Yes	7	1	-
Mr. Kazi Arif Uz Zaman Nominee Director	05	05	Yes	1	1	-
Mrs. Veni Thapar Independent Director	05	05	Yes	3	4	3
Mr. Matthias Frenzel Independent Director	05	05	Yes	-	1	1

*Notes:-

1. Directorships exclude companies incorporated outside India, Section 8 Company under the Companies Act, 2013.
2. For the purpose of membership in Committees, private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013 shall be excluded.
3. As required by Regulation 26(1) of the SEBI Listing Regulations, the disclosure includes membership(s)/ chairpersonship(s) of the Audit Committee and Stakeholders' Relationship Committee in Indian Public Companies (listed and unlisted) including membership(s)/ chairpersonship(s) in the Company.
4. Membership(s) of Committees includes chairpersonship(s), if any.

Corporate Governance Report (Contd.)

Number of Meetings held and attendance of the Directors

The details of Meetings held and attended by the directors during the financial year 2022-23 are given below:

Name of the Director Designation/ Category	Meeting No.					No. of Meetings during the year 2022-23	
	1	2	3	4	5		
	12 May 2022	26 May 2022	04 August 2022	10 November 2022	09 February 2023	Liable to attend	Attended
Mr. Ramesh C Jain Chairman & Independent Director	VC	VC	VC	VC	VC	05	05
Mr. K A Joseph Managing Director	P	P	P	P	P	05	05
Mr. Sanjay Thapar CEO & Executive Director	VC	P	P	P	P	05	05
Mr. Kevin K Joseph Executive Director	P	P	P	P	P	05	05
Mr. Vishal Sharma Nominee Director	VC	VC	P	VC	VC	05	05
Mr. Kazi Arif Uz Zaman Nominee Director	VC	VC	VC	VC	VC	05	05
Mrs. Veni Thapar Independent Director	VC	VC	VC	VC	VC	05	05
Mr. Matthias Frenzel Independent Director	VC	VC	VC	VC	VC	05	05

Note:
P – Present in person
VC – Attended through Video/Audio Visual Means

Details of the other listed entities where the Directors hold directorship

Name of the Director and DIN	Name of the listed entity	Category of Directorship
Mr. Ramesh C Jain DIN: 00038529	Kamdhenu Limited	Independent and Non-Executive Director
	The Hi-Tech Gears Limited	Non-Executive Director
	Frick India Limited	Independent and Non-Executive Director
Mr. K A Joseph DIN: 00784084	Nil	NA
Mr. Sanjay Thapar DIN: 01029851	Nil	NA
Mr. Kevin K Joseph DIN: 09206689	Nil	NA
Mr. Vishal Sharma DIN: 01599024	Nil	NA
Mr. Kazi Arif Uz Zaman DIN: 00237331	Nil	NA
Mrs. Veni Thapar DIN: 01811724	Bank of India	Independent Director (Shareholder Director)
Mr. Matthias Frenzel DIN: 09168925	Nil	NA

Separate Meeting of Independent Directors:

A meeting of the Independent Directors was held on 22 February 2023 and inter alia, discussion on matters pertaining to performance review of the Board, Chairman and Non-Independent Directors took place.

List of Core skills/ expertise/ competencies as identified by the Board of Directors:

The Board comprises of highly qualified members possessing required skills, expertise and competence in making effective contributions towards the growth of the Company. Leadership, Industry knowledge, Technical, Production, Sales and Marketing experience, are the key core skill / expertise / competence, in the context of the Company's business apart from governance, finance, taxation and regulatory affairs functions. In the opinion of the Board, these skills are available with the Board and the following chart / matrix depicts the aforesaid skills/expertise/competence possessed by the Board:

Sl. No.	Director Name	Industry knowledge	Technical, Production, Sales and Marketing	People practices/ Leadership	Governance, Risk and Compliance	Accounts, Audit, Finance and Taxation
1.	Mr. Ramesh C Jain Chairman & Independent Director	P	P	E	E	E
2.	Mr. K A Joseph Managing Director	E	E	E	P	P
3.	Mr. Sanjay Thapar CEO & Executive Director	E	E	E	P	P
4.	Mr. Kevin K Joseph Executive Director	P	P	P	P	P
5.	Mr. Vishal Sharma Nominee Director	E	P	E	P	E
6.	Mr. Kazi Arif Uz Zaman Nominee Director	E	P	E	P	E
7.	Mrs. Veni Thapar Independent Director	P	P	E	E	E
8.	Mr. Matthias Frenzel Independent Director	E	E	E	P	P

Note:
E – Expert
P – Proficient

AUDIT COMMITTEE:

The constitution and terms of reference of the Audit Committee are in compliance with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, as applicable.

Composition of Audit Committee

The composition of the Audit Committee as on 31 March 2023 is given below:

Name	Position on the Committee	Designation
Mrs. Veni Thapar	Chairperson	Independent Director
Mr. Ramesh C Jain	Member	Chairman & Independent Director
Mr. Vishal Sharma	Member	Nominee Director

The Audit Committee was constituted by the Board of Directors at their meeting held on 12 July 2021. The scope and functions of the Audit Committee is in accordance with Section 177 of the Act and the SEBI Listing Regulations.

During the financial year 2022-23, the Audit Committee of the Company duly met five (05) times as depicted below on 12 May 2022, 26 May 2022, 04 August 2022, 10 November 2022 and 09 February 2023.

The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings.

The Chairperson is a fellow member of the Institute of Chartered Accountants of India. All the members of the committee are financially literate. Accordingly, the Composition of the Audit Committee is in conformity with Section 177 of the Act and the SEBI Listing Regulations.

Mr. Thabraz Hushain. W, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Corporate Governance Report (Contd.)

Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2022-23 are given below:

Name of Members	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	No. of Meetings during the year 2022-23	
	12 May 2022	26 May 2022	04 August 2022	10 November 2022	09 February 2023	Liable to attend	Attended
Mrs. Veni Thapar	VC	VC	VC	VC	VC	5	5
Mr. Ramesh C Jain	VC	VC	VC	VC	VC	5	5
Mr. Vishal Sharma	VC	VC	P	VC	VC	5	5

Note:

VC – Attended through Video/Audio Visual Means

P – Present in person

Terms of Reference

The terms of reference of the Audit Committee include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation to the board of directors of the Company (the "Board") for appointment, replacement, reappointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    a) Matters required to be included in the director's responsibility statement to be included in the Board's report, in terms of Section 134(3)(c) of the Companies Act, 2013, as amended;

    b) Changes, if any, in accounting policies and practices and reasons for the same;

    c) Major accounting entries involving estimates based on the exercise of judgment by management;

    d) Significant adjustments made in the financial statements arising out of audit findings;

    e) Compliance with listing and other legal requirements relating to financial statements;

    f) Disclosure of any related party transactions; and

    g) Qualifications and modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. Examination of the financial statement and auditor's report thereon;

7. Monitoring the end use of funds raised through public offers and related matters;

8. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and making appropriate recommendations to the Board to take up steps in this matter;

9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

10. Approval or any subsequent modification of transactions of the Company with related parties;

11. Scrutiny of inter-corporate loans and investments;

12. Valuation of undertakings or assets of the Company, wherever it is necessary;

13. Evaluation of internal financial controls and risk management systems;

14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

16. Discussion with internal auditors of any significant findings and follow up thereon;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. To review the functioning of the whistle blower mechanism;

21. Approval of appointment of chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;

22. Ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

23. Establishing a vigil mechanism/ whistle blower policy for directors and employees to report their genuine concerns or grievances;

24. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

25. Reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments; and

26. Carrying out any other function as may be required/ mandated by the Board from time to time and/or mandated as per the provisions of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Companies Act, 2013, as amended (including Section 177), the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws.

    The Audit Committee shall mandatorily review the following information:

    (1) management discussion and analysis of financial condition and results of operations;

    (2) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

    (3) management letters / letters of internal control weaknesses issued by the statutory auditors;

    (4) internal audit reports relating to internal control weaknesses;

    (5) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and

    (6) the examination of the financial statements and the auditors' report thereon; and

    (7) statement of deviations as and when becomes applicable:

        (a) quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Corporate Governance Report (Contd.)

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The powers of the Audit Committee will include the following:

(1) to investigate activity within its terms of reference;

(2) to seek information from any employees;

(3) to obtain outside legal or other professional advice; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

NOMINATION AND REMUNERATION COMMITTEE:

The constitution and the terms of reference of the Nomination and Remuneration Committee ("NRC") are in compliance with Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations as at the end of the financial year 2022-23.

Composition of NRC

The composition of the NRC as on 31 March 2023 is given below:

Name	Position on the Committee	Designation
Mrs. Veni Thapar	Chairperson	Independent Director
Mr. Ramesh C Jain	Member	Chairman & Independent Director
Mr. Vishal Sharma	Member	Nominee Director

The NRC was constituted by the Board of Directors at their meeting held on 12 July 2021. The scope and functions of the NRC is in accordance with Section 178 of the Act and the SEBI Listing Regulations.

During the financial year 2022-23, the NRC of the Company duly met four (4) times on 12 May 2022, 04 August 2022, 07 November 2022 and 22 February 2023.

The constitution and composition of the Committee satisfy the requirements of Section 178 of the Act, read with SEBI Listing Regulations as at the end of the financial year 2022-23.

Mr. Thabraz Hushain. W, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2022-23 are given below:

Name of Members	Meeting 1	Meeting 2	Meeting 3	Meeting 4	No. of Meetings during the year 2022-23	
	12 May 2022	04 August 2022	07 November 2022	22 February 2023	Liable to attend	Attended
Mrs. Veni Thapar	VC	VC	VC	VC	4	4
Mr. Ramesh C Jain	VC	VC	VC	VC	4	4
Mr. Vishal Sharma	VC	P	VC	VC	4	4

Note:
VC – Attended through Video/Audio Visual Means
P – Present in person

Terms of Reference

The terms of reference of the NRC are as follows:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

2. Formulating criteria for evaluation of performance of independent directors and the board of directors of the Company (the "Board");

3. Devising a policy on diversity of Board;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance;

5. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Recommending to the Board, all remuneration, in whatever form, payable to senior management;

7. Administering, monitoring and formulating detailed terms and conditions of the Company's ESOP plan;

8. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended;

9. Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

10. Analyzing, monitoring and reviewing various human resource and compensation matters;

11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

12. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

13. Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, each as amended, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws; and

14. Performing such other functions as may be necessary or appropriate for the performance of its duties.

Details of shareholdings of the Directors who are holding shares in the Company as on 31 March 2023:

Name	No. of Shares of ₹ 10/- each	% of Holding
Mr. Ramesh C Jain	Nil	NA
Mr. K A Joseph	4,651,244	15.28%
Mr. Sanjay Thapar	5	Negligible
Mr. Kevin K Joseph	100	Negligible
Mr. Vishal Sharma	Nil	NA
Mr. Kazi Arif Uz Zaman	Nil	NA
Mrs. Veni Thapar	Nil	NA
Mr. Matthias Frenzel	Nil	NA

Corporate Governance Report (Contd.)

Performance Evaluation Criteria are determined and evaluated by the NRC:
The Act and SEBI Listing Regulations mandates evaluation of performance of Independent Directors, Non-Independent Directors and Chairperson. The Act states that a formal annual evaluation needs to be done by the Board of its own performance and that of its committees and individual Directors.

The performance evaluation criteria for Independent Directors: The Schedule IV to the Act, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The evaluation of the performance of the Independent Directors is based on their qualification, experience, knowledge and competency, ability to fulfill allotted functions / roles, ability to function as a team, pro-activeness, participation and attendance, commitment, contribution, integrity, independence from the Company and ability to articulate independent views and judgement. Accordingly, the performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The performance of the Board as a whole was evaluated by the Board after seeking inputs from all the Directors by way of a questionnaire on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees of the Board was evaluated by the Board after seeking inputs from the committee members by way of a questionnaire on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The NRC has evaluated the performance of every individual Director by way of a questionnaire on the basis of the criteria approved by the Board.

Remuneration to Directors:
The Company has formulated nomination and remuneration policy to provide a framework for remuneration of members of the board of directors, key managerial personnel, and other employees of the Company.

This Policy is guided by the principles and objectives as enumerated in Section 178 (3) of the Act and the rules made thereunder, and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

This Policy reflects the remuneration philosophy and principles of the Company and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned. The Nomination & Remuneration Policy of the Company is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

Statement of disclosure of remuneration under Section 197(12) of the Act and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – G to the Directors' Report.

The details of Remuneration paid to Directors during the financial year 2022-23 are given below:

Director	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Mr. Ramesh C Jain	Chairman & Independent Director	-	-	-	1.08	1.08
Mr. K A Joseph	Managing Director	26.53	-	-	-	26.53
Mr. Sanjay Thapar	CEO & Executive Director	26.53	8.13	-	-	34.66
Mr. Kevin K Joseph	Executive Director	1.20	-	-	-	1.20
Mr. Vishal Sharma	Nominee Director	-	-	-	-	-
Mr. Kazi Arif Uz Zaman	Nominee Director	-	-	-	-	-
Mrs. Veni Thapar	Independent Director	-	-	-	1.50	1.50
Mr. Matthias Frenzel	Independent Director	-	-	-	0.72	0.72

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors except the sitting fees payable, during the financial year 2022-23.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and the terms of reference of the Stakeholders' Relationship Committee ("SRC") are in compliance with Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

Composition of SRC

The composition of the SRC as on 31 March 2023 is given below:

Name	Position in the Committee	Designation
Mr. Matthias Frenzel	Chairman	Independent Director
Mr. K A Joseph	Member	Managing Director
Mr. Sanjay Thapar	Member	CEO & Executive Director
Mr. Kazi Arif Uz Zaman	Member	Nominee Director

The SRC was constituted by the Board of Directors at their meeting held on 12 July 2021. The scope and functions of the SRC is in accordance with Section 178 of the Act and the SEBI Listing Regulations.

During the financial year 2022-23, the SRC of the Company duly met once (1) on 22 February 2023.

The constitution and composition of the Committee satisfy the requirements of Section 178 of the Act, read with SEBI Listing Regulations.

Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2022-23 are given below:

Name of Members	Meeting 1	No. of Meetings during the year 2022-23	
	22 February 2023	Liable to attend	Attended
Mr. Matthias Frenzel	VC	1	1
Mr. K A Joseph	A	1	-
Mr. Sanjay Thapar	VC	1	1
Mr. Kazi Arif Uz Zaman	VC	1	1

Note:
VC – Attended through Video/Audio Visual Means
A – Absent

Terms of Reference

The terms of reference of the SRC are as follows:

1) To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc., and assisting with quarterly reporting of such complaints;

2) To review measures taken for effective exercise of voting rights by shareholders;

3) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

4) To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

5) To formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

6) To approve, register, refuse to register transfer or transmission of shares and other securities;

7) To sub-divide, consolidate and/or replace any share or other securities certificate(s) of the Company;

8) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company; and

9) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

Corporate Governance Report (Contd.)

Details of complaints received and redressed during the financial year 2022-23:

Pending at the beginning of the financial year	Received during the financial year	Disposed off during the financial year	Number of complaints not solved to the satisfaction of shareholders	Pending at the end of the financial year
Nil	Nil	Nil	Nil	Nil

Name and designation of the Compliance Officer

Name	Designation and Contact Details
Thabraz Hushain. W	Company Secretary & Compliance Officer Contact No.: +91- 61940777 E-mail: compliance@sjsindia.com

RISK MANAGEMENT COMMITTEE

The constitution and the terms of reference of the Risk Management Committee ("RMC") are in compliance with the Regulation 21 and Schedule II Part D (C) of the SEBI Listing Regulations respectively.

Composition of RMC

The composition of the RMC as on 31 March 2023 is given below:

Name	Position in the Committee	Designation
Mr. Sanjay Thapar	Chairman	CEO & Executive Director
Mrs. Veni Thapar	Member	Independent Director
Mr. Vishal Sharma	Member	Nominee Director

The RMC was constituted by the Board of Directors at their meeting held on 12 July 2021.

During the financial year 2022-23, the RMC of the Company duly met twice (2) on 12 September 2022 and 06 March 2023.

The constitution and composition of the Committee are in line with the requirements of Regulation 21 of the SEBI Listing Regulations.

Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2022-23 are given below:

Name	Meeting 1	Meeting 1	No. of Meetings during the year 2022-23	
	12 September 2022	06 March 2023	Liable to attend	Attended
Mr. Sanjay Thapar	VC	VC	2	2
Mrs. Veni Thapar	VC	VC	2	2
Mr. Vishal Sharma	VC	VC	2	2

Note:
VC – Attended through Video/Audio Visual Means

Terms of Reference

The terms of reference of the RMC are as follows:

1) To formulate a detailed risk management policy which shall include:
    a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    b) Measures for risk mitigation including systems and processes for internal control of identified risks.
    c) Business continuity plan.
2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Constitution and terms of reference of the Corporate Social Responsibility Committee ("CSR Committee") are in compliance Section 135 of the Act.

Composition of CSR Committee

The composition of the CSR Committee as on 31 March 2023 is given below:

Name	Position on the Committee	Designation
Mr. Matthias Frenzel	Chairman	Independent Director
Mrs. Veni Thapar	Member	Managing Director
Mr. K A Joseph	Member	Managing Director
Mr. Sanjay Thapar	Member	CEO & Executive Director
Mr. Vishal Sharma	Member	Nominee Director

The CSR Committee was first constituted by the Board in its meeting held on 07 April 2014 and was last reconstituted on 12 July 2021.

During the financial year 2022-23, the CSR Committee of the Company duly met twice (2) on 12 September 2022 and 27 March 2023.

Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members of CSR Committee during the financial year 2022-23 are given below:

Name	Meeting 1	Meeting 2	No. of Meetings during the year 2022-23	
	12 September 2022	27 March 2023	Liable to attend	Attended
Mr. Matthias Frenzel	VC	VC	2	2
Mrs. Veni Thapar	VC	VC	2	2
Mr.K A Joseph	VC	A	2	1
Mr.Sanjay Thapar	VC	VC	2	2
Mr.Vishal Sharma	VC	VC	2	2

Note:
VC – Attended through Video/Audio Visuals Means
A – Absent

Terms of Reference

The terms of reference of the CSR Committee are as follows:

1) Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;

2) Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;

3) Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;

4) Monitoring the corporate social responsibility policy from time to timeand issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

5) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

6) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and

7) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws.

Corporate Governance Report (Contd.)

GENERAL BODY MEETINGS:

The particulars of day, date, time, venue, special resolutions passed, if any, in last three annual general meetings of the Company are given below:

Year	Particulars of the AGM	Day, Date & Time	Venue	Special Resolutions passed, if any
2022	17th AGM	Thursday, 15 September 2022 at 11.30 a.m.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No
2021	16th AGM	Thursday 22 July 2021 at 04:00 PM IST	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. Appointment of Mr. Ramesh C Jain (DIN: 00038529) as Independent Director 2. Approval of Grant of stock options to the employees of Exotech Plastic Private Limited (Subsidiary Company) under S.J.S. Enterprises Employee Stock Option Plan 2021 3. Approval of Grant of Options under S.J.S. Enterprises Employee Stock Option Plan 2021 ('SJS ESOP 2021') to the employee's equivalent to or exceeding 1% of the current issued share capital of the Company. 4. To fix the limit of investment by non-resident Indian in the equity shares
2020	15th AGM	Thursday 06 August 2020 03:00 PM IST	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No

OTHER DISCLOSURES

i) Disclosure of relationships between directors inter-se: Mr. K.A. Joseph, Managing Director of the Company, is father of Mr. Kevin K Joseph, Executive Director of the Company.

ii) During the financial year 2022-23 there are no materially significant related party transactions, which have potential conflict with the interest of Company at large. Related party transactions entered during the financial year 2022-23 are disclosed in the notes to the audited financial statements of the Company.

These transactions entered were at an arm's length basis and were in the ordinary course of business and the Company has formulated a 'Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions' and is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

iii) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years ending 31 March 2023.

iv) Vigil Mechanism (Whistle Blower Policy): The Company has a Vigil mechanism (Whistle blower policy) in place enabling the employees or other connected persons having interest in any transactions with the Company to report any unethical or improper practices noticed in the organization. The Policy also provides the procedure for making such representation and dealing with the said representation. It also covers providing protection from victimization. During the financial year 2022-23, no employee was denied access to the Audit Committee in this behalf.

v) The Company is in compliance with all the applicable mandatory requirements and has fulfilled the following non-mandatory / discretionary requirements as prescribed in Listing Regulations:

a) Audit qualifications: There were no qualifications by the statutory auditors on the financial statements for the financial year ended 31 March 2023.

b) Separate post of Chairman and CEO: The Company has separate Chairman and Managing Director.

c) Reporting of Internal Auditor: Audit Committee, on a time-to-time basis, reviews the reports submitted by the Internal Auditor.

vi) Code of conduct: The code of conduct as adopted by the Board of Directors is applicable to all Directors, senior management and employees above officers' level. The prime purpose of the code is to create an environment wherein all the Board Members and Senior Management of the Company maintain ethical standards and to ensure compliance with the ethical standards laid down. The code is available on the Company's website at https://sjsindia.com/investors.html#policies.

DECLARATION UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31 March 2023.

Date:15 May 2023
Place: Bengaluru

Name: Sanjay Thapar
Designation: CEO & Executive Director
DIN: 01029851

vii) CEO and CFO CERTIFICATION:

As required under Regulation 17(8) of the SEBI Listing Regulations, the CEO and CFO of the Company has certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the financial year ended 31 March 2023 and same has been annexed to this report.

viii) Certificate of Non-Disqualification of Directors issued by an Independent Practicing Company Secretary and compliance certificate on corporate governance as per listing regulations has been annexed to this report.

ix) Share Capital Audit: Practicing Company Secretary carried out a quarterly audit (four times during the FY 2022-23) of the Company's Equity shares, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

x) The Company has paid a sum of ₹ 11.14 Mn as fees on consolidated basis to the statutory auditors for the services rendered for Company and its subsidiary,

xi) Credit Ratings: Credit rating agency "CARE Ratings" reviewed various credit facilities of the Company during the financial year 2022-23 and the following are the details in relation to the same:

Sl. No.	Facilities	Rating	Remarks
1.	Rated on Long-Term Scale	[ICRA]A+(Stable)	Reaffirmed

Symbols	Rating Definition
[ICRA] A+(Stable)	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

xii) Prohibition of Insider Trading: The Company has a policy for prohibiting insider trading i.e., Code of conduct for regulating, monitoring and reporting of Trading by Insiders, in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, Officers and designated persons for trading in the securities of the Company.

The trading window closures are intimated in advance to all the concerned, during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the Company.

xiii) Policy for determining 'material' subsidiaries: As required under SEBI Listing Regulations, the Company has formulated a Policy for determining 'material' subsidiaries

Corporate Governance Report (Contd.)

and is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

xiv) The Company's website contains all information, disclosures, policies etc., as applicable to it.

MEANS OF COMMUNICATION

Limited reviewed /Audited financial results of the Company are published in Financial Express (English edition) and Vishwavani (Regional edition) newspapers respectively on quarterly basis, in addition to being displayed on the Company's website at www.sjsindia.com. Press releases highlighting the financial performance on quarterly/half yearly/annually basis, presentations made to institutional investors and details of Conference Calls, are intimated to stock exchanges apart from being uploaded on the website of the Company.

Limited reviewed / Audited financial results of the Company (Quarterly, Half yearly and Annual) are immediately, after the Board's approval uploaded / displayed on the Company's website at www.sjsindia.com under investors tab (a separate section for investors information) in addition to submitting the same to BSE Limited ("BSE") and National Stock Exchange of India Limited("NSE"). They are also published in daily newspapers within stipulated time of 48 hours of approval.

The annual reports are sent to members of the Company in addition to submitting the same to BSE and NSE as well as uploading the same on the Company's website.

GENERAL SHAREHOLDERS' INFORMATION

1	**Annual General Meeting**	
	Date	04 September 2023
	Time	03:30 P.M
	Venue	The Company is conducting the AGM through Video Conference / Other Audio-Visual Mode (VC/OAVM) pursuant to the circular of Ministry of Corporate Affairs dated 28 December 2022 read with circulars dated 8 April 2020, 13 April 2020, 05 May 2020, 13 January 2021, 08 December 2021 and 05 May 2022 (collectively referred to as "MCA Circulars") and hence there is no requirement for physical venue for the meeting *For details, please refer to the Notice of the AGM.
2	Financial Calendar	2022-23
	Year ending	31 March 2023
	AGM	04 September 2023
3	Date of Book Closure	28 August 2023 [For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM]
4	Dividend Payment Date	Not Applicable
5	Listing on Stock Exchanges	The Equity Shares of the Company are listed on: 1. BSE Limited Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai- 400 001 2. National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051
6	Stock Code / Symbol on NSE / BSE respectively	The BSE Scrip code of equity shares is 543387 The NSE Scrip symbol of equity shares is SJS
7	Listing Fees	Annual listing fees for the year 2022-23 (as applicable) has been paid by the Company to both the Stock Exchanges.
8	International Securities Identification Number (ISIN) allotted to the Company's Shares	INE284S01014
9	International Securities Identification Number (ISIN) allotted to the Company's Share Warrants	Nil

The equity shares of the Company have not been suspended from trading on the said Stock Exchanges or by any Regulatory/ Statutory Authority.

Market Price Data:

Details of monthly high and low market price as per stock exchanges data for the financial year ended 31 March 2023 are as follows:

Sl. No.	Month - Year	Share Price at BSE (543387)			BSE Sensex
		High	Low	Close	
1.	April - 2022	455.00	411.25	427.10	57,060.87
2.	May - 2022	455.65	372.40	438.35	55,566.41
3.	June – 2022	507.25	429.70	478.85	53,018.94
4.	July – 2022	483.00	425.00	444.65	57,570.25
5.	August - 2022	510.00	428.00	481.90	59,537.07
6.	September - 2022	550.00	411.90	431.90	57,426.92
7.	October - 2022	458.70	418.05	446.95	60,746.59
8.	November – 2022	495.80	431.10	455.45	63,099.65
9.	December – 2022	515.20	447.20	492.20	60,840.74
10.	January - 2023	510.00	438.50	453.75	59,549.90
11.	February - 2023	468.95	410.00	415.95	58,962.12
12.	March - 2023	437.35	379.00	395.95	58,991.52

Sl. No.	Month - Year	Share Price at NSE (SJS)			NSE Nifty
		High	Low	Close	
1.	April - 2022	455.00	409.15	426.60	17,102.55
2.	May - 2022	456.05	371.05	439.30	16,584.55
3.	June – 2022	510.00	425.20	478.10	15,780.25
4.	July – 2022	476.90	424.95	445.70	17,158.25
5.	August - 2022	510.00	426.20	482.15	17,759.30
6.	September - 2022	550.75	410.00	431.10	17,094.35
7.	October - 2022	458.80	420.35	446.65	18,012.20
8.	November – 2022	484.05	430.50	455.35	18,758.35
9.	December – 2022	515.05	447.95	492.90	18,105.30
10.	January - 2023	509.95	437.10	452.80	17,662.15
11.	February - 2023	469.50	411.00	415.75	17,303.95
12.	March - 2023	436.80	377.65	396.05	17,359.75

Note:

1. Source: The information is compiled from the data available from the BSE and NSE websites respectively.

Registrar and Transfer Agents (RTAs)

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai- 400 083
Tel: +91 22 4918 6000
Fax: +91 22 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System

The Company's shares are traded on the stock exchanges, compulsorily in demat form. The Company's RTA is the common agency to look after physical and demat registry work. Shares lodged for transfer with the RTA are processed and returned to shareholders within the stipulated time. The Company has been obtaining half yearly certificates as to the compliances made, with regard to transfers and transmissions of shares lodged with the Company during the financial year ended 31 March 2023 from Practicing Company Secretary.

Corporate Governance Report (Contd.)

Shareholding (as on 31 March 2023) :

a. List of investors category wise

Category	Total no. of Shares	No. of Shareholders	% of Issued Capital
Clearing Members	5655	17	0.0186
Other Bodies Corporate	775328	125	2.5472
Foreign Promoter Company	10600370	1	34.8262
Hindu Undivided Family	212413	1949	0.6979
Mutual Funds	3019660	4	9.9207
Foreign Nationals	200	1	0.0007
Non-Resident Indians	471780	701	1.5500
Non-Resident (Non Repatriable)	104357	343	0.3429
Public	7712554	71596	25.3387
Promoters	4651244	1	15.2811
Trusts	2000	1	0.0066
Relatives Of Promoters	80200	3	0.2635
Insurance Companies	1011048	1	3.3217
Body Corporate - Ltd Liability Partnership	35794	19	0.1176
Foreign Portfolio Investors (Corporate) – I	1688558	9	5.5476
Alternate Invst Funds – III	50800	2	0.1669
Directors and their relatives (excluding independent Directors and nominee Directors)	5	1	0.0000
Key Managerial Personnel	81	1	0.0003
Foreign Portfolio Investors (Corporate) – II	15857	1	0.0521
Total :	**30437904**	**74776**	**100**

b. Distribution of Shareholding

Shareholding of Nominal Value of ₹	Number of Shareholders	% of Total Shareholers	Share Amount ₹	% of Total Share Amount
1 to 5000	73313	98.0422	32520010	10.6841
5001 to 10000	800	1.0698	5917290	1.9441
10001 to 20000	345	0.4614	4931950	1.6203
20001 to 30000	106	0.1418	2685010	0.8821
30001 to 40000	56	0.0749	1992240	0.6545
40001 to 50000	36	0.0481	1667840	0.5479
50001 to 100000	56	0.0749	3996320	1.3129
100001 to 99999999999	65	0.0869	250668380	82.354
Total :	**74777**	**100**	**304379040**	**100**

Dematerialization of shares and liquidity:

As on 31 March 2023, 30437902 equity shares out of 30437904 equity shares, forming 99.99% of the Company's paid up capital are held in the dematerialised form with National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') and 2 equity shares are held in physical form.

Manufacturing facilities:

Plants/Warehouse Locations:

S. No.	State	Location / district	Nature of holding	Purpose of property
1	Karnataka	Bangalore South	Own	Old Vacant factory
2	Karnataka	Bangalore South	Lease	Registered office and Manufacturing Facility
3	Karnataka	Mysuru	Lease	Warehouse
4	Haryana	Gurgaon	Lease	Warehouse
5	Maharashtra	Aurangabad	Lease	Warehouse
6	Maharashtra	Pune	Lease	Warehouse
7	Tamil Nadu	Kanchipuram	Lease	Warehouse
8	Uttarakhand	Awas Vikas Rudrapur	Lease	Warehouse
9	Himachal Pradesh	Nalagarh, Solan	Lease	Warehouse
10	Maharashtra	Ranjangaon, Pune	Lease	Registered office and Manufacturing Facility of Our Subsidiary
11	Tamil Nadu	Hosur	Lease	Godown of Our Subsidiary

Address for Correspondence/registering investor grievances:

Enquiries, if any, relating to shareholder accounting records, share transfers, transmission of shares, change of address / bank mandate details for physical shares, receipt of dividend warrants, loss of share certificates etc., and related grievances may be addressed to Link Intime India Private Limited/Company Secretary & Compliance Officer of the Company.

Mr. Thabraz Hushain. W

Company Secretary & Compliance Officer

Sy. Nos – 28/P16 of Agra Village & 85/ P6 of BM Kaval Village, Kengeri Hobli
Bengaluru South - 560 082
Karnataka, India
Tel: +91 80 6194 0777
Email: compliance@sjsindia.com

To know more about the Company, you are welcome to visit us at www.sjsindia.com

ANNEXURE - I

CEO & CFO Certification

[As per Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors
S.J.S. Enterprises Limited

In compliance with the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31 March 2023 and that to the best of my knowledge and belief:

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2022-2023 which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have not observed any deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit committee that there are:

  (i) No significant changes in internal control over financial reporting during the year;

  (ii) No significant changes in accounting policies during the year; and

  (iii) No instances of significant fraud where the involvement of the management or an employee having a significant role in the company's internal control system over financial reporting have been observed.

Place: Bengaluru
Dated: 15 May 2023

Sanjay Thapar
CEO & Executive Director

Mahendra Kumar Naredi
Chief Financial Officer

ANNEXURE - II

Certificate on Compliance with the Regulations of Corporate Governance

TO THE SHAREHOLDERS OF S.J.S. ENTERPRISES LIMITED

1. I, C. Dwarakanath, Company Secretary in Practice, the Secretarial Auditor of S.J.S. Enterprises Limited [formerly S.J.S. Enterprises Private Limited] (the 'Company'), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the 'Listing Regulations').

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

OPINION

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31 March 2023.

6. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company Reporting of internal auditor directly to the Audit Committee.

C. Dwarakanath
Company Secretary in Practice
C.P: 4847 FCS: 7723
UDIN: F007723E000321366
Peer Review Certificate No.: 647/2020

Place: Bengaluru
Dated: 15 May 2023

ANNEXURE - III

Certificate of Non-Disqualification of Directors

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

To,
The Members,
S.J.S. Enterprises Limited
Sy No 28/P16 of Agra village and
Sy No 85/P6 of B.M Kaval Village,
Kengeri Hobli, Bangalore,
Bangalore Rural KA – 560082

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of S.J.S. Enterprises Limited having CIN: L51909KA2005PLC036601 [formerly S.J.S. Enterprises Private Limited] (the 'Company') and having registered office at Sy No 28/P16 of Agra village and Sy No 85/P6 of B.M Kaval Village, Kengeri Hobli, Bangalore, Bangalore Rural KA – 560082 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2023 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 the Director	DIN	Date of appointment in the Company
1.	Mr. Ramesh Chandra Jain	00038529	06/07/2021
2.	Mr. Kazi Arif Uz Zaman	00237331	24/09/2015
3.	Mr. Kannampadathil Abraham Joseph	00784084	21/06/2005
4.	Mr. Sanjay Thapar	01029851	24/09/2015
5.	Mr. Vishal Sharma	01599024	28/04/2016
6.	Mrs. Veni Thapar	01811724	12/07/2021
7.	Mr. Matthias Frenzel	09168925	06/07/2021
8.	Mr. Kevin Kannampadathil Joseph	09206689	19/07/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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.

Ananta R Deshpande
Company Secretary in Practice
FCS No: 11869; CP No: 20322
UDIN No. F011869E000311951

Place: Bengaluru
Date: 15 May 2023

Business Responsibility and Sustainability Report

[Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

The present report has been formulated in accordance with the SEBI Guidelines for Business Responsibility and Sustainability Reporting (BRSR). Its principal aim is to enhance transparency by showcasing how businesses generate value through active contributions to a sustainable economy. The report serves to emphasize our steadfast dedication to fostering sustainable development and creating enduring value for our stakeholders.

SECTION A: GENERAL DISCLOSURES

1) DETAILS OF THE ENTITY

Serial no.	Particulars	Response
1.	**Corporate identity Number (CIN) of the Entity**	L51909KA2005PLC036601
2.	**Name of the Entity**	S.J.S. ENTERPRISES LIMITED
3.	**Year of incorporation**	2005
4.	**Registered office address**	Sy No 28/P16 of Agra village and Sy No 85/P6 of B.M Kaval Village, Kengeri Hobli Bangalore, Bangalore Rural, Karnataka -560082 India
5.	**Corporate address**	Sy No 28/P16 of Agra village and Sy No 85/P6 of B.M Kaval Village, Kengeri Hobli Bangalore, Bangalore Rural, Karnataka -560082 India
6.	**E-mail**	compliance@sjsindia.com
7.	**Telephone**	+91 080 6194 0777
8.	**Website**	https://www.sjsindia.com/
9.	**Financial year for which reporting is being done**	1 April 2022 to 31 March 2023
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	**Paid-up Capital**	30,43,79,040 (Divided into 3,04,37,904 equity shares of ₹10/- each)
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Thabraz Hushain. W Company Secretary & Compliance Officer Tel: +91 80 6194 0777 Email: compliance@sjsindia.com
13.	**Reporting boundary - are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	The disclosures under this report are made on Standalone Basis, unless otherwise specified.

2) PRODUCTS/SERVICES

14. Details of business activities (accounting for 90% of the turnover):

Sl. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Plastic products, non-metallic mineral products, rubber products, fabricated metal products	100%

* The details of business activities shall be in line those given in Form MGT-7 prescribed by MCA.

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of self-adhesive labels including decals and body graphics, 2D appliques and dials, 3D appliques and dials, 3D lux badges, domes, overlays, aluminium badges, in-mould label or in-mould decoration, lens mask assembly, optical plastics / cover glass, chrome-plated, printed and painted injection moulded plastic parts.	22209	99%

Business Responsibility and Sustainability Report (Contd.)

3. OPERATIONS

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	01	01	01*
International	NIL	NIL	NIL

*The plant and office are co-located at the same premises.

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	06
International (No. of Countries)	22

b) Contribution of exports:

What is the contribution of exports as a percentage of the total turnover of the entity?	10.75%

c) Type of Customers

A brief on types of customers

S.J.S. Enterprises Limited (The Company / SJS) is amongst the leading players in the Indian decorative aesthetics industry with the widest range of products across both traditional and premium segments. The Company is a unique blend of strong manufacturing and design capabilities, expert workforce and long-standing customer relationships. The Company provides decorative aesthetic products to automobile, consumer appliances, medical devices, farm equipment and sanitary ware manufacturers both in India and overseas.

The Company serves its customers with a diverse range of products including:

- Decals and body graphics
- 2D and 3D appliques and dials
- 3D lux badges & domes
- Overlays
- Aluminium badges
- In-mould label or decoration parts (IML/IMD)
- Lens mask assembly
- Optical plastics / Cover Glass
- Chrome-plated, printed and painted injection moulded plastic parts

The Company also offers a range of aftermarket accessories for 2Ws and PVs under the brand name 'Transform'.

SJS has the scale and capability to manage 6,700 SKUs and supplied more than 136 Mn parts to 175+ customer locations across 22 countries during financial year 2022-23.

SJS is a partner, co-creator, and supplier of choice to several leading OEMs with a dominant share of business in India and focused strategy to increase global presence. In India, SJS supplies directly or indirectly to:

- All Top 7 Two-Wheeler OEMs
- 9 of Top 10 Passenger Vehicle OEMs
- 5 of Top 10 consumer durable OEM

The Company's robust capabilities, quality performance, price competitiveness and timely delivery have made it a preferred partner for the world's renowned and most esteemed brands. SJS has been associated with its 10 largest revenue contributors for an average of 19 years which is a testament to its strong and trusted customer relationships.

4. EMPLOYEES

18. Details at the end of the year of financial year:

a) Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Employees					
1.	Permanent (D)	178	160	90%	18	10%
2.	Other than Permanent (E)	29	25	86%	4	14%
3.	**Total employees (D + E)**	**207**	**185**	**89.4%**	**22**	**10.62%**
	Workers					
1.	Permanent (F)	295	259	87.8%	36	12.2%
2.	Other than Permanent (G)	950	725	76.31%	225	23.7%
3.	**Total workers (F + G)**	**1245**	**984**	**79.04%**	**261**	**20.96%**

b) Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Differently Abled Employees					
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	-	0	0
3.	**Total employees (D + E)**	**1**	**1**	**100%**	**0**	**0**
	Differently Abled Workers					
1.	Permanent (F)	1	1	100%	0	0
2.	Other than Permanent (G)	0	0	-	0	0
3.	**Total workers (F + G)**	**1**	**1**	**100%**	**0**	**0**

19. Participation/Inclusion/Representation of women:

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	08	01	12.5%
Key Management Personnel*	04	0	0

* Key Managerial Personnel includes Managing Director, Chief Executive Officer, Chief Financial officer and Company Secretary.

20. Turnover rate for permanent employees and workers:
(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11%	6%	10.4%	11%	4%	10.6%	9%	2%	8.3%
Permanent Workers	5%	0%	4.7%	8%	2%	7.2%	7%	4%	6.2%

Business Responsibility and Sustainability Report (Contd.)

5. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Exotech Plastics Private Limited	Subsidiary	100	No

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS

22.

S. No.	Requirement	Response	
1.	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes	
		FY 2022-23	FY 2021-22
2.	Turnover (in INR)	2,961,915,000	2,678,872,506
3.	Net worth (in INR)	4,181,350,000	357,5,470,537

7. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes *	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)	Yes *	NIL	NIL	-	NIL	NIL	-
Shareholders	Yes *	NIL	NIL	-	53	0	-
Employees and workers	Yes *	NIL	NIL	-	NIL	NIL	-
Customers	Yes *	11	0	All complaints received during this financial year were related to general concerns, and the same has been promptly resolved with utmost priority.	18	0	All complaints received during the financial year 2021-22 were related to general checks and concerns and have been promptly resolved with utmost priority.
Value Chain Partners	Yes *	NIL	NIL	-	NIL	NIL	-

* The Company has a Stakeholder Management Policy which formalizes grievance management for both internal and external stakeholders, aiming to minimize social risks to the business. Grievances will be managed confidentially to reduce conflicts and strengthen relationships. Stakeholders can use the redressal channel provided if no other mechanism is available in Company policy.

The policy can be accessed at the given link.

https://www.sjsindia.com/Docs/Stakeholder%20Management%20Policy.pdf

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Management	Risk	In the manufacturing process, significant amounts of energy are commonly utilized for various purposes, such as powering machinery, providing heating and cooling, and lighting facilities. Consequently, these activities entail substantial energy costs, which can pose a financial burden on the company. Moreover, any interruptions in the energy supply, fluctuations in energy prices, or other energy-related disruptions may impact the company's operations, leading to product delays, quality issues, and disruptions in the supply chain.	It is imperative to foster a culture of energy efficiency within the organization and regularly monitor and analyse energy consumption data to ensure continuous improvement. With this objective in mind, the Company has undertaken significant initiatives. These include the installation of solar panels at its factories, procuring wind power, and substantially reducing electricity consumption from BESCOM. The facility actively pursues various measures to enhance energy efficiency and utilize renewable energy sources, thus reducing its carbon footprint. Furthermore, the Company has been exploring investments in energy-efficient technologies and increasing its procurement of power from renewable sources. Notably, the Bengaluru facility has achieved LEED Gold certification (Leadership in Energy Efficiency and Environmental Design) from the US Green Building Council, underscoring its commitment to energy efficiency and environmentally sustainable practices.	POSITIVE Although the installation of solar panels, procurement of wind power, and other capital investments may initially incur costs, the long-term implications of these actions can lead to significant cost reductions. Consequently, this positive impact on the Company's financials can be observed over time.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Water & Waste Management	Risk	The manufacturing process requires large quantities of water for various purposes, including cooling, cleaning, and processing. This results in high water consumption, which incurs significant costs and strains local water resources. Furthermore, the manufacturing process generates wastewater that contains pollutants, posing potential risks to the environment and human health if not adequately treated.	The Company has implemented a comprehensive strategy for water and wastewater management that adheres to best practices and industry standards. As part of this strategy, the Company has adopted water conservation measures, such as the installation of water-efficient fixtures like low-flow toilets and faucets. Additionally, the Company ensures that its staff is adequately trained in proper water and wastewater management techniques. To address wastewater treatment, the Company has established mechanisms in place. The liquid waste from the Sewage Treatment Plant (STP) undergoes processing in the STP plant, where it is converted into sludge. The treated water derived from this process is reused for purposes such as toilet flushing and gardening. Similarly, the liquid waste from the Effluent Treatment Plant (ETP) is processed in the ETP plant, resulting in the conversion of liquid waste into ETP sludge. To ensure the safe and responsible disposal of waste, the sludge is handed over to authorized vendors who specialize in its appropriate management and disposal. Through these measures, the Company demonstrates its commitment to effective water and wastewater management practices, safeguarding the environment and promoting sustainability.	POSITIVE Implementing effective water management practices, such as reducing water consumption and improving wastewater treatment, can yield positive financial implications for the facility. By optimizing water usage and minimizing wastage, the facility can significantly reduce water expenses, leading to cost savings in the long run. Additionally, improved wastewater treatment can help the facility avoid regulatory fines, which can protect the company's financial resources. Moreover, by demonstrating responsible water management practices, the Company can enhance its reputation, potentially attracting environmentally conscious customers and investors, thereby positively impacting sales, and revenue. Ultimately, investing in water conservation and wastewater treatment measures can lead to long-term financial sustainability and competitiveness for the facility.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Waste & Hazardous Materials Management	Risk	The manufacturing process necessitates the consumption of finite resources such as raw materials, energy, and water. Acquiring and utilizing these resources can incur substantial costs, highlighting the importance of waste reduction to achieve significant cost savings for the Company. Improper management of waste generated during the manufacturing process can be both environmentally damaging and expensive in terms of disposal. Therefore, implementing proper waste management practices is essential to mitigate environmental harm and reduce associated expenses.	The Company's current waste management plan includes various measures aimed at mitigating the risks associated with waste and materials management. To ensure effective waste disposal, the Company engages the services of waste collection agents appointed by the Local Authorities. These agents conduct regular waste pickups as per scheduled intervals. In regard to hazardous waste, the Company has implemented a well-defined plan to ensure proper identification and storage practices, minimizing the risk of spillage. Hazardous waste is exclusively disposed of through authorized parties, and meticulous records of hazardous waste disposal are maintained. Additionally, the Company takes responsibility for categorizing waste into three distinct categories, reflecting the level of risk associated with each. These categories are accompanied by appropriate packaging and labelling, facilitating easy identification during emergency situations. By adhering to these waste management practices, the Company demonstrates its commitment to environmental responsibility and the promotion of a safe working environment.	POSITIVE Taking proactive measures to reduce waste in production processes can have a positive financial implication for the company. By implementing strategies that minimize waste generation and improve efficiency, the company can significantly reduce production costs. This includes cost savings related to the disposal or recycling of excess waste materials. Additionally, by optimizing the use of resources such as energy, water, and raw materials, the company can lower its operational expenses and enhance overall productivity. Adopting waste reduction strategies not only promotes sustainability but also contributes to improved profitability and competitiveness in the market.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Product Quality & Safety	Opportunity	Safeguarding the quality of products is of paramount importance to the Company. Recognizing opportunities to enhance product quality and safety is crucial in ensuring customer safety, satisfaction, regulatory compliance, and sustaining a competitive advantage in the market. By proactively addressing potential risks at an early stage, the Company has not only achieved cost savings but also enhanced customer satisfaction and cultivated a robust reputation.	-	POSITIVE The Company has implemented a robust system to guarantee the quality and safety of its products, showcasing a steadfast commitment to meeting essential standards. This unwavering dedication has yielded remarkable results, as the Company has not encountered any instances of product recalls or losses that could have otherwise led to substantial financial implications. By consistently upholding stringent adherence to quality and safety standards, the Company has successfully averted potential losses, protected its reputation, and cultivated unwavering trust among its customers
5.	Employee Health & Safety	Risk	The utilization of heavy machinery, chemicals, and other hazardous materials can present substantial risks to the health and safety of employees if not effectively managed. Compliance with occupational health and safety regulations is imperative, as employers are legally obligated to provide a safe and healthy work environment. Failure to do so can lead to legal liabilities, financial penalties, and reputational damage for the company. It is crucial for companies to prioritize proper management of these risks to ensure the well-being of their employees and maintain compliance with occupational health and safety regulations.	The Company has implemented an effective employee health and safety management system, encompassing the identification and management of workplace hazards, the implementation of suitable safety measures, and comprehensive training for employees on the usage of Personal Protective Equipment (PPE) and safety protocols for handling hazardous materials. The Company has established mechanisms to monitor safety-related incidents, enabling timely intervention and preventive measures. To mitigate workplace hazards, the Company has implemented engineering controls, such as machine guards and ventilation systems, that effectively reduce or eliminate associated risks. Additionally, the provision of appropriate PPE, including gloves, safety glasses, shoes, and respirators, plays a crucial role in safeguarding employees from workplace hazards. By prioritizing employee health and safety through comprehensive management systems, effective training, and the implementation of necessary safety measures, the Company fosters a secure work environment, mitigates risks, and ensures the well-being of its employees.	POSITIVE The Company has undertaken proactive measures to mitigate potential risks inherent in the manufacturing process. Consequently, there have been no reported instances of injuries or accidents within the Company. This exemplary record signifies the Company's unwavering commitment to prioritizing employee safety and well-being, along with the implementation of robust risk management strategies to prevent harm to personnel or damage to equipment during manufacturing operations. By fostering a safe working environment, the Company not only ensures the smooth and efficient functioning of its production processes but also safeguards the health and welfare of its workforce.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Business Model Resilience	Risk and Opportunity	RISK The Company recognizes the significance of identifying risks during product development and innovation to ensure the attainment of desired specifications and quality standards for the final product. Neglecting to identify and address potential risks during the development phase may lead to costly design flaws or production issues that could compromise the product's integrity and performance. As companies strive to distinguish themselves from competitors, innovation becomes a key driver. However, innovation carries inherent risks such as cost overruns, delays, and potential design flaws. By proactively identifying these risks at an early stage, the Company can effectively mitigate them and make informed decisions regarding resource allocation and prioritization. OPPORTUNITY Moreover, the Company must actively pursue innovation, encompassing the exploration of new materials, production processes, and product designs. This approach not only differentiates the Company's offerings from those of its competitors but also opens up new markets and opportunities. The Company demonstrates a strong commitment to this through its investment in research and development activities. By continuously innovating and developing new products, the Company remains at the forefront of emerging trends, particularly in the automotive and consumer appliances industries, where the demand for premium products is growing rapidly. This dedication to constant innovation ensures that the Company maintains a competitive edge and stays ahead of the curve.	To leverage the evolving market dynamics, SJS has successfully expanded its range of products to include state-of-the-art, premium offerings such as IML/IMD parts, 3D appliques, lens mask assemblies, and aluminium badges. The Company has established a dedicated team focused on new product development (NPD), resulting in the introduction of four to five innovative products over the past three to four years. By strategically diversifying its product portfolio and investing in NPD, SJS remains at the forefront of industry trends and is poised to capitalize on emerging market opportunities.	POSITIVE The Company's commitment to product design and development innovation has yielded favourable outcomes for its financial performance. Through the introduction of new and enhanced products, the Company has effectively distinguished itself from competitors, expanded its market presence, and attracted a broader customer base. As a result, the Company has experienced notable growth in revenues and profits. The positive financial impact derived from product innovation also affords the Company the means to allocate resources towards ongoing research and development endeavours, ensuring the sustenance of its competitive edge and market position in the long term. By consistently fostering a culture of innovation, the Company secures its profitability and prospects for continued success.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Supply Chain Management	Risk	Recognizing and addressing supply chain risks is of paramount importance to ensure a robust and streamlined flow of materials, components, and finished products within the Company. Potential disruptions or failures within the network of suppliers, manufacturers, and logistics providers can have far-reaching implications, including production delays, escalated expenses, and reputational damage. The global nature of the supply chain exposes the Company to a range of risks, encompassing supply chain disruptions, geopolitical uncertainties, economic fluctuations, and natural disasters, all of which can impact the quality and functionality of the end product. By proactively identifying and mitigating these risks, the Company can fortify its supply chain resilience, enhance operational efficiency, and safeguard its brand reputation	To mitigate the risks associated with supply chain disruptions, the Company has implemented several key strategies. Firstly, it maintains a diversified supplier base and fosters strong relationships with multiple suppliers. This approach reduces dependency on a single source and enhances the Company's ability to respond to disruptions. Furthermore, the Company has developed a comprehensive contingency plan that is regularly reviewed and updated to ensure its effectiveness in mitigating potential disruptions. By proactively assessing and reviewing the supply chain, the Company identifies areas of vulnerability and takes necessary measures to address them. As part of its risk management approach, the Company conducts random visits to suppliers, enabling it to monitor and verify the smooth functioning of operations. Through these proactive measures and continuous monitoring, the Company minimizes the impact of supply chain disruptions and maintains a reliable and resilient supply chain network.	NEGATIVE In order to maintain a reliable and efficient supply chain, it is imperative to effectively identify and manage supply chain risks. The potential disruptions or failures within the supply chain can have detrimental effects on the company, including delays in production, escalated costs, and damage to the company's reputation. Moreover, global supply chain risks, such as political instability, economic volatility, and natural disasters, can further exacerbate the financial impact on the company. Therefore, it is of utmost importance to proactively identify and mitigate these risks to ensure the continued reliability and efficiency of the supply chain, thereby safeguarding the company from significant financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Material Sourcing & Efficiency	Risk	The selection of materials plays a crucial role in the manufacturing process of the Company. It is essential to carefully choose materials that meet specific criteria to ensure the durability and quality of the finished products. One of the primary factors to consider is the ability of the materials to withstand the challenging environmental conditions that the parts are likely to encounter throughout their operational life. For instance, parts exposed to extreme temperatures, whether high or low, require materials that can endure these conditions without experiencing brittleness or degradation. Additionally, materials must be resistant to the deteriorating effects of moisture and UV radiation, as exposure to these elements can compromise the integrity and visual appeal of the parts. By carefully selecting materials that meet these requirements, the Company can ensure that its products maintain their performance and aesthetics over time.	The Company employs various measures to ensure the resilience of their products when exposed to harsh weather conditions. One common practice involves applying protective coatings or finishes to the surface of the parts, safeguarding them against damage, fading, or discoloration. Additionally, the Company utilizes specialized materials, such as heat-resistant plastics or metals, capable of withstanding extreme temperatures. Rigorous testing is another integral aspect, where the products undergo simulations of various weather conditions to assess their performance in harsh environments. These meticulous measures enable the Company to manufacture products that exhibit durability, reliability, and exceptional performance across diverse environmental conditions. Under the Green Inspired section of the Company's Sustainable Procurement Policy, a commitment is made to foster an environmentally friendly and responsible value chain in compliance with local environmental laws and regulations. The Company places particular emphasis on reducing carbon emissions, minimizing water usage, managing hazardous materials and toxic waste, and promoting the adoption of renewable energy sources. They endorse the principles of "reduce, reuse, and recycle" to minimize waste generation and encourage responsible resource consumption, including sustainable practices in packaging materials. Furthermore, the Company expects its suppliers to establish and maintain a robust Quality Management System while adhering to relevant local regulations, registrations, training programs, management reviews, and internal audits. Suppliers are also encouraged to monitor and minimize their environmental impact by embracing green initiatives and sustainable practices.	NEGATIVE The procurement of materials directly influences the financial outlook of the Company, as the cost of raw materials constitutes a significant expense that can impact profitability substantially. Fluctuations in material prices, scarcity, or market conditions can pose challenges and increase costs, potentially affecting the Company's financial performance. POSITIVE Conversely, the adoption of sustainable and environmentally friendly materials, although initially entailing higher costs, can yield long-term cost savings. Such materials are often more durable and boast extended lifespans, reducing the need for frequent replacements and repairs. Additionally, utilizing sustainable materials can contribute to the Company's efforts in minimizing its environmental footprint, potentially reducing waste management and disposal costs. Consequently, the strategic selection of sustainable materials can result in financial benefits and align the Company's operations with its commitment to environmental stewardship.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Advancements in technology	Risk and Opportunity	The manufacturing industry has witnessed a transformative impact due to technological advancements like 3D printing and digital design tools. This revolution also extends to automotive aesthetic parts manufacturing companies, presenting them with valuable opportunities. These advancements enable the creation of intricate geometries, customized parts, and streamlined production processes. By embracing these technological innovations, companies can gain a competitive advantage, develop distinctive products, and enhance their profitability. However, it is essential to recognize that investing in new technologies can be accompanied by significant costs, necessitating a thorough assessment of potential benefits and risks. The Company places a strong emphasis on technology development, considering it as a key component of its unique selling proposition (USP) and allocating substantial resources towards it. Aligned with its vision, the Company aspires to deliver excellence by exploring the possibilities of colours, materials, textures, and functionality. Their goal is to create visually captivating and sensorially pleasing products that offer delightful intuitiveness. They strive to be at the forefront of the aesthetic and functional industrial graphic parts industry, leveraging specialized design and printing technologies to achieve their objectives.	To proactively address the risks associated with technological advancements, the Company is actively developing new capabilities to introduce in-mould electronics (IME) solutions. IME solutions have found increased applications in various industries, including two-wheelers, passenger vehicles, consumer appliances, and electric vehicles (EVs). By offering these new products, the Company aims to expand its customer base not only in the consumer appliances industry but also in the medical devices sector. To support the successful implementation of these advancements, the Company has made significant investments in employee training and development programs. By equipping their workforce with the necessary skills, the Company ensures that employees are proficient in operating and maintaining the new technologies effectively. Furthermore, the Company regularly reviews and updates its cybersecurity measures to safeguard against potential cyber threats that may arise in connection with the adoption of new technologies. By prioritizing cybersecurity, the Company mitigates the associated risks and ensures the protection of its valuable data and technological assets.	POSITIVE The Company recognizes that advancements in technology can greatly influence its financial performance. Embracing these advancements can lead to positive financial outcomes, including enhanced efficiency, superior quality control, and a wider range of product offerings. However, it is important to acknowledge that there may also be negative financial implications associated with technological advancements, such as substantial initial investments, potential disruptions during implementation, and ongoing investment requirements. To ensure prudent decision-making, the Company conducts thorough evaluations of the costs and benefits associated with adopting new technologies. By carefully assessing the potential financial impact, the Company can make informed decisions about which technologies to embrace, considering both short-term and long-term financial implications. This strategic approach allows the Company to capitalize on the opportunities presented by technological advancements while mitigating any potential financial risks..

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	**a) Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	Particulars of the Policies	**Anti-corruption or anti-bribery policy**	**Supplier Code of conduct**	**Health and Safety Policy Code of Conduct for Employees**	**Stakeholder Management Policy**	**Human Rights Policy**	**Environmental Policy**	-	**Corporate Social Responsibility Policy**	**Cyber Security and Data Privacy Policy**
	b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
	c) Web Link of the Policies, if available	The Company's policies can be accessed at the given link: https://www.sjsindia.com/investors.html#policies Moreover, in light of the operations and the imperative of upholding confidentiality, a subset of the Company's policies can be conveniently accessed through the intranet platform exclusively designated for internal use. The intranet functions as a comprehensive repository for a multitude of policies that regulate the operations and comportment within the organization.								
2.	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes, the Company has translated the enlisted policies into procedures.								
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Not all the enlisted policies may extend to our value chain partners. We wish to clarify that while the Company is committed to upholding the highest standards of ethical and sustainable business practices, our policies and practices are limited to our own operations and do not extend to our value chain partners. The Company ensures that its suppliers/contractors comply with the law of the land by getting such clauses incorporated in their respective contracts/agreements and terms and conditions of the tenders.								
4.	**Name of the national and international codes /certifications/ labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	The Company has adopted several national and international standards to ensure compliance with responsible business practices. These standards include ISO-9001, ISO-14001, ISO-45001, and IATF 16949. These standards are mapped to various principles of the Business Responsibility and Sustainability Reporting (BRSR) framework to ensure the highest level of compliance. In addition to these standards, the Company's operations are also guided by the National Guidelines on Responsible Business Conduct (NGBRC), further demonstrating its commitment to responsible business practices.								

Business Responsibility and Sustainability Report (Contd.)

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	For the financial year 2022-23, the Company has established the following specific commitment goals related to environmental, social, and governance (ESG) factors: 1. The Company has set a target to double the reduction of carbon emissions during the financial year 2022-23 compared to the previous financial year 2021-22 where it has successfully reduced 2,250,565 kilograms. 2. The Company is steadfast in its commitment to ensuring that all waste generated in its operations undergoes proper treatment, thereby preventing any adverse environmental consequences. 3. The Company aims to procure power from renewable sources to promote sustainable energy practices. 4. The Company has set a target to reduce diesel consumption by a minimum of 75% during the financial year 2022-23 compared to the previous financial year 2021-22. 5. The Company prioritizes water recycling at its maximum capacity and adheres to a Zero Liquid Discharge Policy to minimize water wastage. 6. Recognizing the significance of a conducive working environment, the Company maintains effective safety measures and promotes a safe working atmosphere, thereby expecting further acknowledgement. It consistently strives to achieve and maintain a favourable position in this area.								
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	In response to all the specific commitment goals set by the Company with respect to ESG, the performance for the same is mentioned below: 1. The Company is delighted to announce a substantial decrease in emissions during the financial year 2022-23, demonstrating an impressive reduction of approximately 44.31% compared to the previous financial year 2021-22. This accomplishment underscores our unwavering dedication to environmental sustainability and exemplifies our continued endeavours to mitigate our carbon footprint. 2. The Company refrains from participating in practices such as incineration or landfilling for waste disposal. Instead, waste management is conducted exclusively through an approved vendor designated by the Karnataka State Pollution Control Board (KSPCB). In relation to e-waste, the Company is firmly dedicated to guaranteeing that all e-waste generated within its operations undergoes either reuse, recycling, or treatment for energy recovery on an annual basis. The Company, with the assistance of third-party vendors, takes responsible measures to handle the e-waste. 3. The Company has made substantial progress in meeting its power requirements for manufacturing through the utilization of renewable solar energy. A significant portion of the electricity needed during the year, approximately 20-30%, was supplied by rooftop solar panels and a solar park located within the factory premises. To support its renewable energy initiatives, the Company has installed a total capacity of 1.9 MW in its solar plant. Additionally, it has entered into power supply and off-take agreements to secure the delivery of solar power, with a capacity of up to 2 MW or 3,000,000 units per year. Furthermore, the Company has set forth plans to further enhance its power procurement from renewable sources, highlighting its ongoing commitment to sustainable energy practices. 4. The Company is delighted to share a significant accomplishment in the financial year 2022-23, wherein our diesel consumption witnessed a remarkable reduction of 89%. This achievement surpasses our predetermined target of 75%, underscoring our commitment to sustainable practices and resource efficiency. 5. The Company showcases its dedication to responsible corporate citizenship by employing advanced wastewater treatment and recycling systems. Through cutting-edge technology and a combination of physical, chemical, and biological processes, the Company effectively treats its industrial wastewater, purifies it through filtration and evaporation, and reuses the clean water within the plant. The Company also manages solid waste disposal in an environmentally friendly manner, complies with effluent standards by utilizing Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs), minimizes water discharge, and repurposes treated water for various purposes, while responsibly disposing of remaining sludge. By implementing a Zero Liquid Discharge (ZLD) mechanism, the Company reduces freshwater dependence, mitigates environmental impact, and ensures responsible and sustainable treatment and recycling of all wastewaters. 6. The Company has been honoured with the prestigious title of "Great Workplace" in the category of "Small and Mid-Sized Organizations" by the renowned Great Place to Work Institute®, India third time in a row. This recognition reflects our commitment to maintaining a conducive and safe working environment. We remain dedicated to providing a sustainable workplace that fosters employee well-being and continuously strive to uphold our position in this regard.								

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Governance, leadership and oversight								
7.	**Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**	"As a visionary corporate entity, we remain steadfastly committed to conducting our operations with an unwavering focus on sustainability, environmental stewardship, and resolute social responsibility. We exemplify true leadership by relentlessly striving to minimize our ecological footprint, foster diversity, inclusion, and drive uncompromising excellence in corporate governance. Our relentless pursuit revolves around decimating greenhouse gas emissions, propelling energy efficiency to unprecedented heights, and revolutionizing waste management practices with determined resolve. We refuse to accept anything less than exceptional progress in these critical domains. Moreover, we harness our steadfast determination to make lasting, transformative contributions to the communities we serve. When it comes to reporting our accomplishments, we take immense pride in trumpeting our extraordinary achievements. A staggering 44.31% reduction in emissions compared to the previous year stands as a testament to our pioneering leadership and commitment to responsible practices. Our tireless drive for sustainable energy solutions has enabled us to seamlessly integrate renewable solar sources, drastically reducing reliance on traditional power systems. Furthermore, our steadfast efforts have resulted in an astounding 89% decline in diesel consumption, setting new industry benchmarks. Our environmental stewardship extends far beyond emissions reduction. Through state-of-the-art wastewater treatment and recycling systems, we spearhead a paradigm shift toward conservation and reduced dependence on freshwater resources. Our unequivocal dedication to cultivating a safe, nurturing work environment has earned us the prestigious distinction of being recognized as a "Great Workplace" by the venerable Great Place to Work Institute® third time in a row. Aligned with our purpose, we forge transformative partnerships to champion cancer research, provide firm support to HIV-positive children, empower brick lane workers through comprehensive welfare programs, deliver crucial educational and healthcare resources to marginalized communities, offer solace and rehabilitation to orphans, extend medical care to the underprivileged, and ensure no one goes hungry through impactful food distribution initiatives. Driven by persistent commitment, bold leadership, and an unyielding pursuit of excellence, we are determined to redefine industry standards and shape a sustainable future that benefits all. We extend an open invitation to others, encouraging them to join us on this transformative journey towards a brighter, more resilient world." - Sanjay Thapar, CEO and Executive Director								
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	The individual who holds the highest authority for the implementation and oversight of the Business Responsibility policies is Mr. Sanjay Thapar. With his role as CEO & Executive Director, Mr. Thapar has been specifically designated to ensure the effective implementation and adherence to the policy, safeguarding its objectives and principles. His expertise and leadership play a crucial role in upholding the organization's commitment to responsible business practices.								
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**	Risk Management Committee has been tasked with decision-making authority on all aspects related to sustainability issues. The Committee shall oversee the development and implementation of sustainability-related policies, procedures, and programs. This includes but is not limited to the management of the company's environmental impact, social responsibility, and governance practices. The Company's Risk Management Committee comprises of:								

Name	Position on the Committee	Designation
Mr. Sanjay Thapar	Chairman	CEO & Executive Director
Mrs. Veni Thapar	Member	Independent Director
Mr. Vishal Sharma	Member	Nominee Director

Business Responsibility and Sustainability Report (Contd.)

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, performance against enlisted policies and necessarily follow up actions are duly reviewed by the Risk Management Committee as well as the Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, we comply with statutory requirements relevant to the principles and review was undertaken by the Board of Directors.									Quarterly								

11. Independent assessment/ evaluation of the working of its policies by an external agency:

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, all the policies of the Company are evaluated internally. Further, J. Sundharesan & Associates, specialising in Compliance, Governance and Sustainability advisory has provided a 'limited assurance' on certain Identified Sustainability Indicators based on NGBRC.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	Yes	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	No	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	No	-	-
It is planned to be done in the next financial year (Yes/ No)	-	-	-	-	-	-	No	-	-
Any other reason (please specify)	-	-	-	-	-	-	Please refer note 1	-	-

Note:

1) The Company has made a conscious effort to align its business practices with various public advocacy forums that promote social, environmental, and ethical values. By doing so, the Company is able to operate in a way that is not only profitable, but also responsible towards society and the environment.

As a member in these forums, the Company has exhibited its dedication to social responsibility by actively engaging in initiatives and programs that endorse sustainable business practices. The Company may share its expertise to help in the formulation of public policy, but we do not directly engage in advocacy activities and hence do not have a specific policy for this purpose.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

The objective of this section is to facilitate entities in demonstrating their aptitude in proficiently integrating the principles and fundamental elements into crucial processes and decisions. The Company has duly adhered to all obligatory disclosures prescribed by the Business Responsibility and Sustainability Reporting (BRSR) framework. Furthermore, the Company is presently engaged in disclosing leadership indicators in its upcoming financial years.

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

A fundamental shared value of the Board of Directors, Senior Management, and all other employees of the Company is the Company's dedication to ethical and legal business conduct. By emphasizing solid, long-lasting relationships and providing value through agility and innovative products and services, SJS assists customers in realizing results. The Company accepts personal responsibility for making the proper commitments to our clients, developing long-lasting relationships with them, and making every effort to fulfil our commitments. In order to be consistent with the Company's values and beliefs, the Board of Directors has created a "Code of Conduct for Directors and Senior Management" in accordance with SEBI's Listing Regulation. The Company upholds and ensures adherence to the aforementioned Code of Conduct and Ethics in all aspects of its operations.

The Company follows high standards of professionalism, honesty, integrity, and ethics for fair and transparent business. It has a Stakeholder Management Policy to encourage reporting of non-compliance and improper behaviour, allowing employees, channel partners, and vendors to report any such material departures from key management guidelines. In exceptional cases, the Chairman, CEO, or Chairperson of the Audit Committee may be contacted directly.

The Company has a "Code of Conduct for Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information" in place to uphold the highest ethical standards when Insiders trade in the Company's securities. The Code also aims to strengthen the existing legal framework for insider trading restrictions on securities.

A) ESSENTIAL INDICATORS:

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors and Key Managerial Personnel	3	(i) The Company is committed to promoting sustainability practices and therefore, the Board undergoes ESG training to understand their role in environmental, social, and governance matters. (ii) To maintain a safe and respectful workplace all Directors attend POSH training which covers topics such as sexual harassment prevention and workplace discrimination. (iii) As compliance with ethical standards is of utmost importance the Board undergoes complete insider trading training to ensure and understand the legal and ethical implications of trading on inside information. (iv) The Board undergoes cybersecurity training to understand practices to avoid cyber attacks.	100%

Business Responsibility and Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BOD and KMPs	68	(i) POSH Training is crucial for creating a safe and respectful work environment, preventing sexual harassment incidents, and ensuring that everyone understands Company policies and procedures for dealing with such incidents. (ii) EHS Training is vital for creating a safe and healthy workplace, minimizing accidents, and ensuring that employees understand Company policies and procedures for handling hazardous materials and situations. (iii) Waste Management and Segregation Training is important to minimize environmental impact, ensure compliance, and educate employees on handling and disposing of waste responsibly. (iv) IATF 16949: 2016 Awareness Training is important for companies in the automotive industry to ensure compliance, improve product quality, and enhance customer satisfaction by ensuring everyone involved in the production process understands quality management system requirements and standards.	100%
Workers	65	(i) POSH Training is crucial for creating a safe and respectful work environment, preventing sexual harassment incidents, and ensuring that everyone understands Company policies and procedures for dealing with such incidents. (ii) EHS Training is vital for creating a safe and healthy workplace, minimizing accidents, and ensuring that employees understand company policies and procedures for handling hazardous materials and situations. (iii) Waste Management and Segregation Training is important to minimize environmental impact, ensure compliance, and educate employees on handling and disposing of waste responsibly. (iv) Human Rights Training is critical to ensure employees understands and respects human rights, creating a diverse and inclusive workplace that values and respects all employees. (v) IATF 16949: 2016 Awareness Training is important for companies in the automotive industry to ensure compliance, improve product quality, and enhance customer satisfaction by ensuring everyone involved in the production process understands quality management system requirements and standards.	100%

- The Company firmly believes in investing in the growth and development of its employees as a fundamental aspect of achieving its objectives and driving success. In line with this, we have established training and awareness programs that cater to the Board of Directors, Key Managerial Personnel, employees, and workers. These programs aim to enhance the team's knowledge, skills, and best practices to tackle the ever-changing business environment.
- Through these programs, our team members acquire a deeper understanding of the company's values and goals, empowering them to contribute to our continued success. We consider these programs a critical investment in our people and are committed to providing the necessary resources and support to ensure their success.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

MONETARY					
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	None	NA	NA	NA	None
Settlement	None	NA	NA	NA	None
Compounding fee	None	NA	NA	NA	None

NON-MONETARY				
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	None	NA	NA	None
Punishment	None	NA	NA	None

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

Considering that the Company has not filed any appeal/revision, the particular section is not applicable.

4. Anti-corruption or Anti-bribery policy: anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.	Yes, the Company has an Anti-Bribery and Anti-Corruption Policy which provides the requirements in detail. The said policy can be accessed at the below mentioned link. https://www.sjsindia.com/investors.html#policies The Company is committed to the prevention, deterrence and detection of fraud, bribery, and all other corrupt business practices. It is the policy of the Company to conduct all its business activities with honesty, integrity and the highest possible ethical standards and vigorously enforce its business practice, wherever it operates throughout the world, of not engaging in bribery or corruption. As part of this commitment, the Company has implemented this Anti-Bribery and Anti-Corruption Policy to prohibit bribery and corruption in any form and to ensure that the business is conducted with transparency and accountability.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

- There was no disciplinary action that has been initiated against any director, KMP, employees or workers of the Company by any law enforcement agency for charges of bribery or corruption.
- We maintain a zero-tolerance policy towards corruption, and we are committed to upholding the highest standards of ethical conduct and transparency in all our business dealings. We believe that transparency and accountability are critical to building trust with our stakeholders, and we will continue to work towards promoting a culture of integrity throughout our operations.

Business Responsibility and Sustainability Report (Contd.)

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Current Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

- We prioritize the avoidance of conflicts of interest among our directors and KMPs, as it can negatively affect our stakeholders and reputation. To address this, we have established policies and procedures to identify and resolve any conflicts of interest, ensuring our leaders act in the best interests of the company and stakeholders.
- We are dedicated to handling potential conflicts of interest responsibly and upholding the highest ethical standards among all our Directors and KMPs.

7. Corrective Actions:

Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest	This section is not applicable to the Company as there were no fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

SUSTAINABLE DEVELOPMENT GOALS

We recognize that as a Company, we have a responsibility to reduce our environmental impact and contribute to sustainable development. By providing goods and services in a sustainable manner, we can reduce waste, emissions, and other negative environmental impacts.

Providing goods and services in a sustainable and safe manner is critical for the Company's success and for building a responsible and sustainable business. By prioritizing sustainability and safety, the Company has enhanced reputation, reduced risks, and contributed to a more sustainable future. The Company remains committed to upholding this principle and will continue to seek ways to improve our sustainability and safety practices.

Providing sustainable and safe goods and services is important for protecting stakeholders' health, reducing environmental impact, and enhancing reputation.

A) ESSENTIAL INDICATORS:

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
*R&D	-	-	NA
*Capex	-	-	NA

* While the Company has made investments in research and development (R&D) and Capex in both the Current and Previous Financial Years, there is currently no detailed breakdown or categorization available to assess the specific environmental and social impacts resulting from these investments. However, our steadfast dedication to innovation and technological advancements has yielded remarkable outcomes. Through the utilization of cutting-edge solutions and the adoption of innovative practices, we have successfully reduced our environmental footprint.

Our commitment to sustainability has led us to minimize resource consumption, optimize energy efficiency, and embrace eco-friendly manufacturing processes. As a result, we have achieved substantial reductions in our overall environmental footprint.

Sustainable sourcing:

Does the entity have procedures in place for sustainable sourcing? (Yes/No)	The Company maintains a positive working relationship with its vendors, suppliers, and other service providers, and incorporates them into its business practices and growth strategy. To ensure sustainable sourcing practices, the Company has established a set of procedures for selecting, evaluating, re-evaluating, and monitoring the performance of both new and current suppliers of raw materials and outsourced jobs. These procedures help the Company to identify and partner with suppliers who align with their values and sustainable practices, and to continuously monitor their performance to ensure compliance with environmental standards and regulations. This approach helps the Company to promote responsible sourcing practices throughout their supply chain, minimizing the environmental impact of their operations. The Company's Sustainable Procurement policy includes the Green Inspired section, which aims to create an environmentally responsible value chain that adheres to local environmental laws and regulations. The Company prioritises reducing carbon emissions, water usage, hazardous materials, and toxic waste, as well as promoting the use of renewable energy sources. The policy recommends the "reduce, reuse, and recycle" approach to minimize waste and ensure responsible resource consumption, including for packaging materials. The Company also requires suppliers to establish a Quality Management System and comply with local regulations, training, registrations, management reviews, and internal audits. In addition, the Company encourages its suppliers to adopt green initiatives and practices to monitor and reduce their environmental impact.
If yes, what percentage of inputs were sourced sustainably?	100%

2. Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life:

Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.	The Company understands the importance of product marking in promoting effective reclamation and recycling of products. The Company has a standardized product marking system in place that ensures each part produced is clearly labelled with the raw material code. This marking includes information about the type of material used in the product, such as >ABS< for Acrylonitrile Butadiene Styrene or >PMMA< for Polymethyl Methacrylate. The product marking serves as a critical identification tool for end users and recycling facilities, allowing them to easily identify and sort different types of materials used in the products. This ensures that materials can be efficiently separated and processed for recycling or reusing, minimizing waste and promoting environmental sustainability. By implementing a robust product marking system, the Company demonstrates their commitment to promoting environmentally responsible practices in reclaiming their products for reusing, recycling, and proper disposal at the end of their lifecycle. This ensures that their products are managed in an environmentally sustainable manner, minimizing their impact on the environment, and contributing to a circular economy.

3. Extended Producer Responsibility (EPR) plan:

Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	Yes, the Company's activities fall within the scope of Extended Producer Responsibility (EPR). During the approval process of the report, the Company diligently initiated the application process for Extended Producer Responsibility (EPR) with the relevant Pollution Control Board. However, the official certificate for EPR was obtained in subsequent stages.

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

As a Company, we recognize the importance of promoting the well-being of all our employees, including those in our value chains. It is not only the right thing to do but it also makes good business sense.

The Company is committed to creating a safe and healthy work environment, which is free from any form of discrimination or harassment. We understand that our employees are our greatest asset, and it is crucial that we provide them with the necessary resources and support to ensure their well-being. This includes providing access to health and wellness programs, training and development opportunities, and fair and competitive compensation and benefits.

We also understand that our suppliers and partners play an essential role in our value chain, and we are committed to working with them to ensure that they also promote the well-being of their employees. We work closely with our suppliers to ensure that they meet our ethical and social standards, and we provide them with the necessary support and resources to achieve this goal.

Promoting the well-being of all our employees, including those in our value chains, is not only a moral imperative, but it also helps to create a positive and productive work culture, which in turn can lead to increased employee engagement, productivity, and profitability.

A) ESSENTIAL INDICATORS:

1. A) Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	160	160	100%	160	100%	-	-	-	-	-	-
Female	18	18	100%	18	100%	18	100%	-	-	18	100%
Total	**178**	**178**	**100%**	**178**	**100%**	**18**	**10.11%**	**-**	**-**	**18**	**10.11%**
Other than Permanent employees											
Male	25	25	100%	25	100%	-	-	-	-	-	-
Female	4	4	100%	4	100%	4	100%	-	-	4	100%
Total	**29**	**29**	**100%**	**29**	**100%**	**4**	**13.79%**	**-**	**-**	**4**	**13.79%**

B) Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	259	259	100%	259	100%	-	-	-	-	259	100%
Female	36	36	100%	36	100%	36	100%	-	-	36	100%
Total	**295**	**295**	**100%**	**295**	**100%**	**36**	**100%**	**-**	**-**	**295**	**100%**
Other than Permanent employees											
Male	725	725	100%	-	-	-	-	-	-	-	-
Female	225	225	100%	-	-	225	100%	-	-	225	100%
Total	**950**	**950**	**100%**	**-**	**-**	**225**	**100%**	**-**	**-**	**225**	**100%**

2. Details of retirement benefits, for Current and Previous Financial Year:

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others –						
a) Superannuation	100%	100%	-	NIL	NIL	-
b) Mediclaim/GMC	100%	100%	-	100%	100%	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Yes, the offices are accessible to all its employees including differently abled employees. The employees are consulted to improve and manage the mobility needs of people with disabilities. Buildings, rooms, toilets, and recreational areas are securely accessible. This is to ensure that differently abled employees can move around the building with ease and access the same amenities as other employees. The Company has also put in place various safety measures, such as handrails and ramps, to ensure the safety and comfort of all employees. Our vicinity comprises of paths and exclusive walkways with easy stairs and lifts. This makes it easier for differently abled employees or with other mobility issues to access the public spaces. It also creates a more inclusive environment for everyone, as the paths and walkways are designed to be accessible to all. Additionally, there is no restriction on personal vehicles inside the factory.

4. Equal Opportunity Policy:

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.	In line with the Human Rights policy, we are an equal opportunity employer. The Company's policy promotes mutual respect by creating an inclusive and equal opportunity workplace that prohibits discrimination and harassment such as race, colour, religion, disability, gender, sexual orientation, age, or any other legally protected status. The Policy can be accessed at the given link: https://www.sjsindia.com/investors.html#policies

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**

Business Responsibility and Sustainability Report (Contd.)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, the Company is committed to providing an inclusive and supportive work environment for all employees. As part of this commitment, we have established a grievance redressal mechanism to address any concerns or issues that employees may have. Upon receipt of a grievance, our internal grievance committee will review the matter and utilize an escalation matrix to determine the most appropriate course of action. This matrix outlines a set of steps that are designed to facilitate the resolution of the grievance, taking into consideration various factors such as the severity of the grievance, the seniority of the involved parties, and the timeline for resolution. Our escalation process comprises several stages, including: **A. Informal Discussion with Supervisor:** The first stage of our escalation process involves encouraging employees to speak with their manager before filing a formal grievance. This informal discussion can often help to bridge communication gaps and allow for issues to be resolved quickly and effectively. **B. Formal Written Grievance:** If the informal discussion is not successful in resolving the grievance, employees can file a formal written grievance. We have developed a grievance form that employees can use to document their concerns. **C. Evaluation of Grievance:** Once a formal grievance has been received, the grievance committee will evaluate the matter and determine the appropriate course of action. This can include mediation or other forms of conflict resolution. **D. Conduct a Formal Investigation:** In some cases, a formal investigation may be necessary to gather additional information or evidence. This may involve interviewing witnesses and gathering documents in order to arrive at a fair and impartial resolution. Upon conclusion of the investigation, the grievance committee will work towards creating a resolution that is fair and equitable for all parties involved. Our aim is to ensure that grievances are resolved in a timely and impartial manner, and that employees feel supported and valued throughout the process.

7. Membership of employees and worker in association(s) or Unions recognised by the entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	178	NIL	-	171	NIL	-
Male	160	NIL	-	155	NIL	-
Female	18	NIL	-	16	NIL	-
Total Permanent Workers	295	NIL	-	300	NIL	-
Male	259	NIL	-	264	NIL	-
Female	36	NIL	-	36	NIL	-

The Company's staff and labour force do not possess any acknowledged associations or union affiliations. We maintain the belief that each individual should receive equitable and respectful treatment, regardless of their affiliations or absence thereof. We endeavour to cultivate an all-encompassing environment that encourages cooperation and novelty. We pledge to guarantee that all our staff and labour force are provided with just and unbiased prospects and perks.

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	160	160	100%	160	100%	155	155	100%	155	100%
Female	18	18	100%	18	100%	16	16	100%	16	100%
Total	**178**	**178**	**100%**	**178**	**100%**	**171**	**171**	**100%**	**171**	**100%**
Workers										
Male	259	259	100%	259	100%	264	264	100%	264	100%
Female	36	36	100%	36	100%	36	36	100%	36	100%
Total	**295**	**295**	**100%**	**295**	**100%**	**300**	**300**	**100%**	**300**	**100%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees (Staff & Admin)**						
Male	160	12	7.5%	155	29	18.7%
Female	18	0	0	16	2	12.5%
Total	**178**	**12**	**7.5%**	**171**	**31**	**18.1%**
Workers**						
Male	259	5	1.93%	264	7	2.7%
Female	36	0	0%	36	0	0
Total	**295**	**0**	**0%**	**300**	**7**	**2.7%**

**For the purpose of performance and career development, only permanent employees and workers are considered.

10. Health and safety management system:

S. no	Particulars	Response
1.	**Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**	Yes, the Company has implemented a management system for occupational health and safety. The coverage of such system includes – **1) Pre-employment and Annual Medical Check-up:** These check-ups help to identify health risks that may be present in their workforce, as well as to ensure that the employees have the necessary physical fitness to perform their job duties. **2) Training on Environment and Employee Health and safety:** This training is essential to ensure that employees are aware of the risks associated with working in a particular environment, and to ensure that they take the necessary precautions to keep themselves and their colleagues safe. **3)** The Company has incorporated important components of an effective fire safety program which includes training on Fire hydrant System, Smoke Detectors, Sprinkler System, Fire Extinguisher, Safe Assembly Point, and Emergency Exits. **4) Work permit system prior to work:** This system ensures that all employees are properly trained and certified to work in the factory. It also ensures that the employer is adhering to safety regulations, such as providing a safe workplace, adequate safety equipment, and appropriate procedures for hazardous tasks.

Business Responsibility and Sustainability Report (Contd.)

S. no	Particulars	Response
		5) Safety Committee: This committee will be responsible for ensuring compliance with safety regulations, conducting safety audits and inspections, and creating and implementing safety programs to reduce the risk of injury to workers. **6) Emergency Preparedness/Mock Drill:** This drill is designed to ensure that employees are familiar with emergency procedures, such as evacuation routes, in case of an emergency. It also tests the effectiveness of existing safety protocols and identifies any areas for improvement. **7) Near Miss Report and Incident Investigation System:** This system is designed to identify and analyse potential and actual accidents and incidents in order to anticipate and prevent future incidents. It allows employees to report near misses or incidents and have them investigated so that the causes can be identified, and corrective measures taken to reduce the risk of similar incidents occurring in the future. **8) Visitor Management system and Safety Guide:** Such a system helps to identify who is on site, as well as to ensure that visitors are aware of the safety protocols in place and are following them. It also allows the Company to keep track of visitors and any potential hazards they may be exposed to and take the necessary steps to protect them. **9) Safety Audits:** Safety audits help to identify potential hazards and risks in the workplace, and to determine the necessary measures to prevent accidents, injuries, and illnesses. They also help to ensure that the necessary safety equipment and procedures are in place and are being followed.
2.	**What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**	The identification of work-related hazards and assessment of risks is a critical process to ensure the safety and well-being of employees in any organization. The specific processes used may vary depending on the industry, organization, and local regulations, but generally include the following steps: The observance of work safety analysis, Hazard Identification and Risk Assessment (HIRA), standard operating procedure, and operational control plan helps to monitor routine activities. To ensure the health and safety of personnel, equipment, and materials involved, non-routine activities are supervised using a seven-type work permit system. The seven types of work permit cover various types of hazardous activities, including: 1) Hot work Operations 2) Cold work activities 3) Electrical installation and maintenance 4) Working at heights 5) Electromechanical services 6) Confined space entry 7) Heavy lifting operations This system ensures that every non-routine activity is evaluated and planned, with appropriate safety measures in place before work can begin. By strictly adhering to this system, the Company can minimize the risks associated with non-routine activities, preventing accidents and injuries.
3.	**Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**	Yes, to ensure a safe and healthy work environment, we are actively monitoring and addressing workplace hazards through a variety of forums. These forums allow us to gather feedback from workers and identify potential safety risks. The forums that we use to monitor and gather input from workers include Safety Patrols, Workplace Inspections, Pictorial PPE Displays, Identification of Unsafe Conditions and Unsafe Acts, Safety Audits (including Gemba and Departmental Audits), Monthly Safety Audits, On-the-Job Training on Safety, Safety Committee Meetings, and Mock Drills and Emergency Preparedness Training. Through these various forums, we are able to gather feedback and identify potential safety hazards. We then take proactive steps to address these hazards and ensure that our workers have the necessary knowledge and tools to work safely. This includes providing fire fighting and first aid training, as well as ongoing safety training to help workers identify and avoid potential safety risks. Overall, our commitment to safety is a top priority, and we will continue to work to ensure that all of our workers are able to work in a safe and healthy environment.
4.	**Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**	Yes.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one Mn- person hours worked)	Employee	NIL	NIL
	Worker	0.00042	0.00048
Total recordable work- related injuries	Employee	NIL	NIL
	Worker	7	8
No. of fatalities	Employee	NIL	NIL
	Worker	NIL	NIL
High consequence work – related injury or ill- health (excluding fatalities)	Employee	NIL	NIL
	Worker	NIL	NIL

12. Measures to ensure a safe and healthy workplace:

Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company emphasizes on the importance of maintaining a safe and healthy workplace for all its employees. The entity takes the health and safety of its employees as a top priority and has implemented various measures to ensure a safe and healthy work environment.

The Company has successfully implemented safety calendars incorporating RED/GREEN indicators to indicate the incidence of accidents within a specific month. This implementation is intended to visually illustrate the safety condition of each worksite and empower employees to actively track their advancement towards attaining a zero-accident objective. The utilization of RED/GREEN indicators facilitates a swift and unequivocal evaluation of accident frequency and the efficacy of safety endeavors.

The machines are equipped with sensors designed to mitigate the risk of danger. These sensors detect changes in the environment, such as sudden temperature or pressure drops, and alert the machine to shut down to prevent potential damage. This proactive measure ensures optimal machine performance while maintaining safety standards.

To adhere to safety protocols, flammable chemicals are stored separately within the warehouse to mitigate potential risks. Moreover, parameters have been established and implemented to ensure strict control over chemical release and keep them within permissible limits. These parameters require keeping chemicals away from ignition sources, strong air currents, and combustible materials and storing and handling them to meet specific safety requirements.

The Company implements various measures to improve the health and safety of its employees, including yearly planning to identify areas of improvement, regular inspection of the shop floor to assess machinery, equipment, tools, and working conditions, and awareness training on EHS. Incidents are investigated and reported to management, while unsafe conditions and acts are identified and evaluated for hazards and risk assessment. The Company also ensures a reliable firefighting system, forms first aid and firefighting committees, implements workplace safety programs, mandates the use of personal protective safety equipment (PPE), and conducts annual medical examinations to ensure employee health.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

We are pleased to report, our employees and workers have not lodged any grievances concerning their working conditions and health and safety. This attests to our dedication to providing a secure and healthy working atmosphere for our staff. We will persist in giving priority to the welfare of our employees and upholding the utmost standards of safety and health.

Business Responsibility and Sustainability Report (Contd.)

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Corrective Actions:

Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.	In order to address any safety-related incidents and significant risks or concerns identified through health and safety assessments, we have implemented a structured root cause analysis format for detailed investigations and the formulation of corrective action plans. This procedure is followed at all locations and includes the following measures: 1. Establishment of safety committees and works committees. 2. Recognition of employees who have made notable contributions to safety through the Best Safety Kaizen award. 3. Identification and reporting of unsafe conditions and unsafe acts. 4. Installation of fire extinguishers in every department. 5. Display boards promoting awareness about personal protective equipment (PPE) and fire safety classes throughout the plant.

PRINCIPLE 4 BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

SUSTAINABLE DEVELOPMENT GOALS

A) ESSENTIAL INDICATORS:

1. Identification of stakeholders group:

Describe the processes for identifying key stakeholder groups of the entity	The Company has developed a Stakeholder Engagement Framework for identification of Stakeholders. In line with this framework, the stakeholder identification process at the Company considers the following scope in identifying the stakeholders: • **Dependency –** groups or individuals who are directly or indirectly dependent on the organisation's activities, products or services and associated performance, or on whom the organisation is dependent in order to operate. • **Responsibility –** groups or individuals to whom the organisation has, or in the future may have, legal, commercial, operational or ethical/moral responsibilities. • **Attention –** groups or individuals who need immediate attention from the organisation about financial, wider economic, social or environmental issues. • **Influence –** groups or individuals who can have an impact on the organisations or a stakeholder's strategic or operational decision-making. • **Diverse perspectives –** groups or individuals whose different views can lead to a new understanding of the situation and the identification of opportunities for action that may not otherwise occur.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	• Annual General Meeting • Shareholder meets • Email • Stock Exchange (SE) Intimations • investor/analysts meet/ • conference calls • annual report, • quarterly results • media releases and • Company website • Notice • Newspaper advertisements	Quarterly, Half yearly and annually	**1) Share price appreciation, dividends, profitability and financial stability:** **a) Purpose:** Evaluate financial performance and stability for potential growth. **b) Key topics raised:** Share price trends, dividend history, profitability ratios, financial statements, and market conditions **c) Concerns raised:** Volatility in share prices, non- payment of dividend and financial risks. **2) Queries/suggestions/ assurance / complaints etc:** **a) Purpose:** Address shareholder queries, suggestions, complaints, and provide assurance. **b) Key topics raised:** Shareholder queries, suggestions, assurances, and concerns.
Customers	No	• Partnering with them in their journey from products to services. • One–on–one interaction. • Customer satisfaction survey. • Feedback surveys and calls post redressal of complaints. Customer service helpline. • Email, Telephone and physical and VC Meetings	Daily	**1) Queries/suggestions/ assurance/complaints:** **a) Purpose:** Address customer queries, suggestions, complaints, and provide assurance. **b) Key topics:** Customer service, complaint handling, feedback mechanisms. **c) Concerns:** Supply chain and quality related concerns. **2) Understanding the customers' requirements:** **a) Purpose:** Understand customer requirements to improve products and services. **b) Key topics:** Customer needs analysis, market research, product development.

Business Responsibility and Sustainability Report (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Supplier meets. • One-on-one interactions. • Email, Telephone and physical and VC Meetings	Fortnightly	**1) Supplier Feedback Mechanism:** **a) Purpose:** To gather feedback and input from suppliers regarding their experiences, challenges, and suggestions for improvement. **b) Key topics:** Supplier relationships, contract terms, payment processes, and communication channels. **2) Supplier Performance Evaluation:** **a) Purpose:** To assess the performance of suppliers and provide feedback on areas of improvement. **b) Key topics:** Quality of goods/services, timeliness, adherence to contractual obligations, and compliance with ethical standards. **3) Supplier Capacity Building:** **a) Purpose:** To provide support and resources to suppliers to enhance their capabilities and meet the company's requirements. **b) Key topics:** Training programs, supplier development initiatives, and sharing best practices. **4) Collaborative Innovation:** **a) Purpose:** To foster innovation and collaboration between the company and suppliers to drive mutual growth and development. **b) Key topics:** Joint research and development projects, co-creation of new products/services, and sharing market insights. **5) Ethical and Sustainable Practices:** **a) Purpose:** To ensure suppliers adhere to ethical and sustainable practices in their operations. **b) Key topics:** Compliance with labor standards, environmental regulations, and responsible sourcing.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee and Workers	No	• Personalised learning and development programmes. • Regular performance review and feedback. • One-on-one engagement, townhall meetings. • Employee engagement surveys. • Programmes catered around overall wellbeing. • Intranet Portal. • Casual interaction and daily games post lunch • Emails, Notice Board, Meetings	Daily	**1) Hearing of all employee concerns:** **a) Purpose:** To provide an open forum for employees to voice their concerns and improve company culture. **b) Key topics:** Employee concerns, communication, and feedback mechanisms. **2) Conducting meetings:** **a) Purpose:** To facilitate communication and decision-making within the organization. **b) Key topics:** Meeting agenda, participation, and outcomes. **3) Suggestion Schemes:** **a) Purpose:** To encourage employees to contribute innovative ideas and improve company operations. **b) Key topics:** Suggestion submission process, evaluation criteria, and implementation strategies. **4) Conducting enquiries:** **a) Purpose:** To investigate and resolve issues within the organization. **b) Key topics:** Enquiry process, documentation, and communication with stakeholders.
Government and Regulators	No	• E-mails and letters. • Conferences. • Industry forums. • Regulatory filings. • Meetings with officials. • Representations.	On periodical basis as provided under relevant legislations	**1) In relation to Compliances with applicable laws, Industry concerns, changes in regulatory frameworks, skill and capacity building, employment:** **a) Purpose:** Ensure compliance with applicable laws, adapt to regulatory changes, stay informed of industry concerns, invest in employee skills. **b) Key topics:** Regulatory compliance, industry trends, workforce development, employment policies, and skill-building initiatives.
Community	Yes	• Collaboration with non-governmental organisations (NGOs). • Field visits. • CSR and sustainability initiatives. • Skill development. • One-on-one interactions.	Periodically	**a) Purpose:** Develop and implement sustainable CSR initiatives related to water and natural resource management, community development, education/skill development, and livelihood support. **b) Key topics:** Water and natural resource management, community development, education/skill development, livelihood support, and sustainability reporting.

Business Responsibility and Sustainability Report (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Board of Directors	No	• Board Meetings - Engage with Board members through regular board meetings, either in person or virtually, to discuss company performance, strategy, and challenges. Meetings usually happen on a regular basis, such as quarterly. • Board Committees - Engage with Board committee members, such as Audit, CSR, NRC, SRC, and Risk Management committees, for more focused updates and discussions on specific areas of the company's operations. • Board Reports - Provide regular reports to the Board on company performance and progress towards strategic goals. Reports may include financial updates, key performance indicators, or other relevant information. • Informal Updates - Provide informal updates to Board members on an ongoing basis through channels such as emails, phone calls, or meetings outside of regular Board meetings.	Quarterly and on any event/need basis.	**1) Company's business operations, planning, strategies etc:** **a) Purpose:** To review the company's current business operations, planning and strategies, and identify opportunities for improvement. **b) Key topics:** Business model, operational efficiency, market analysis, growth strategies, risk management, and financial performance.
Contractors	No	• Emails. • Need based meetings. • Periodical Reports	Periodically	**Purpose:** Manage the contractor relationship for quality performance and contractual compliance. **Key Topics:** Contractual Agreements, Performance Evaluation, Fair and Timely Payment, Quality and Performance.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Subsidiary	No	• Emails. • Need based meetings. • Periodical Reports.	Quarterly and Requirement basis.	**1) Strategic Alignment:** **a) Purpose:** To align the subsidiary company's goals and strategies with the overall objectives of the Company. **b) Key topics:** Business plans, market expansion strategies, product development, and resource allocation. **2) Performance Reviews and Reporting:** **a) Purpose:** To review the performance of subsidiary Company, assess key metrics, and ensure transparency in reporting. **b) Key topics:** Financial performance, operational efficiency, market share, and compliance with regulations. **3) Knowledge Sharing and Best Practices:** **a) Purpose:** To facilitate knowledge sharing and exchange of best practices among subsidiary companies and the Company. **b) Key topics:** Innovation, process optimization, risk management, and market insights.
Bankers	No	• Periodical Meetings • Periodical Reports • Emails	Requirement basis.	**1) Understand the banking compliance, maintaining rapport with our bankers, and banking/credit facilities:** **a) Purpose:** Understand banking compliance, maintain rapport with bankers, and manage banking/credit facilities. **b) Key topics:** Banking regulations, compliance requirements, credit facilities, maintaining relationships with bankers.
Peers	No	• Industry events and conferences • Trade associations and industry groups • Market research and analysis • Benchmarking studies	Requirement basis.	**To provide considerations and share insights on global developments:** **a) Purpose:** Provide insights on global developments that may impact the company's operations and strategies **b) Key topics:** Geopolitical risks, macroeconomic trends, emerging technologies, social and environmental issues, and industry developments.

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

SUSTAINABLE DEVELOPMENT GOALS

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

A) ESSENTIAL INDICATORS:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	178	178	100%	171	171	100%
Other than permanent	29	29	100%	42	42	100%
Total Employees	**207**	**207**	**100%**	**213**	**213**	**100%**
Workers						
Permanent	295	295	100%	300	300	100%
Other than permanent	950	950	100%	744	744	100%
Total Workers	**1,245**	**1,245**	**100%**	**1,044**	**1,044**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No.(F)	% (F/D)
Employees										
Permanent	178	NIL	-	178	100%	171	NIL	-	171	100%
Male	160	NIL	-	160	100%	155	NIL	-	155	100%
Female	18	NIL	-	18	100%	16	NIL	-	16	100%
Other than Permanent	29	NIL	-	29	100%	42	NIL	-	42	100%
Male	25	NIL	-	25	100%	40	NIL	-	40	100%
Female	4	NIL	-	4	100%	2	NIL	-	2	100%
Workers										
Permanent	295	NIL	-	295	100%	300	NIL	-	300	100%
Male	259	NIL	-	259	100%	264	NIL	-	264	100%
Female	36	NIL	-	36	100%	36	NIL	-	36	100%
Other than Permanent	950	NIL	-	950	100%	744	NIL	-	744	100%
Male	725	NIL	-	725	100%	571	NIL	-	571	100%
Female	225	NIL	-	225	100%	173	NIL	-	173	100%

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	₹1.08 Mn	1	₹1.50 Mn
Key Managerial Personnel*	4	₹11.01 Mn	0	-
Employees other than BoD and KMP	158	₹0.67 Mn	18	₹0.63 Mn
Workers	259	₹0.36 Mn	36	₹0.33 Mn

* Comprising Chairman & Managing Director, Wholetime Directors, Chief Financial Officer and Company Secretary.

4. Focal point for addressing human rights:

Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Head of HR department oversees the human resource's function. In addition, the Executive Directors are responsible for addressing any human rights issues caused or contributed by the business.

5. Internal mechanisms in place to redress grievances related to human rights issues:

Describe the internal mechanisms in place to redress grievances related to human rights issues.

The internal stakeholders of a business are groups or individuals who work directly within it, such as employees and contractual support staff. They are granted access to a redressal channel as specified in the policy to address any concerns or complaints that they may have.

The policy's objective is to establish an accessible and secure process for employees to report any incidents of discrimination, harassment, or other human rights violations that may occur in the workplace. The grievance mechanism is effectively communicated to all employees to ensure that they are informed of the process and their rights to report any violations.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child Labour	NIL	NIL	-	NIL	NIL	-
Forced Labour/Involuntary Labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights related issues	NIL	NIL	-	NIL	NIL	-

7. Prevention of discrimination and harassment cases:

Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

To prevent harassment in the workplace, the company has established a mechanism that consists of various policies, procedures, and guidelines. The mechanism includes a code of conduct that outlines the company's expectations for appropriate workplace behaviour and provides guidance on identifying and addressing harassment.

The company has also established a confidential reporting system that allows employees to report any incidents of harassment without fear of retaliation. These reports are thoroughly investigated, and corrective action is taken where necessary. Additionally, the company provides regular training to all employees on identifying and preventing harassment in the workplace.

To ensure compliance with its harassment prevention policies, the company conducts regular audits and assessments of its workplace culture and practices. These assessments help identify areas for improvement and ensure that the company is taking all necessary steps to prevent harassment.

Business Responsibility and Sustainability Report (Contd.)

8. Human rights requirements forming part of your business agreements and contracts:

Do human rights requirements form part of your business agreements and contracts? (Yes/No)
Yes, the Human rights related requirement are covered as a part of supplier/Dealer/Vendor onboarding process. This requires suppliers and dealers to comply with applicable laws, labour standards, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations.

9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NA
Forced/involuntary labour	NA
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

10. Corrective Actions to address significant risks / concerns arising from the assessments:

Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
The Company takes its commitment to human rights earnestly and has established a robust framework to address significant risks and concerns related to child labour, forced labour, sexual harassment, discrimination, and wages. This includes regular assessments to identify any potential violations and regular training for employees to promote awareness and prevent such incidents. In the event of any violations being identified, the Company takes prompt and effective corrective action, which may include suspension of work, termination of contracts, or even legal action, as appropriate. Additionally, the Company continuously reviews and strengthens its policies and procedures to ensure that human rights are upheld across all operations. There were no significant risk/concern that arose on its self-assessment and from the diligence of customers.

PRINCIPLE 6 BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

A) ESSENTIAL INDICATORS:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	10,612.35 MJ	18,232.92 MJ
Total fuel consumption (B) (In Kiloliter)	10,042 L	92,099 L
Energy consumption through other sources (C) (Wind and Solar Power)	12,456 MJ	1,800 MJ
Total energy consumption (A+C)	23,068.35 MJ	20,032.92 MJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	23,068.35/296,19,15,000 =0.0000077	20,032.92/2,678,872,506 = 0.0000074

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The Company has not conducted any such assessment, evaluation, or assurance by an external agency. The energy consumption details are solely evaluated internally.

During the financial year 2022-23, the Company experienced a notable 15.15% upsurge in its total energy consumption, encompassing electricity usage as well as consumption derived from alternative sources such as wind and solar power. This increase resulted in a corresponding 10.57% rise in total production.

Moreover, the Company is delighted to share a significant accomplishment in the financial year 2022-23, wherein our diesel consumption witnessed a remarkable reduction of 89%. This achievement surpasses our predetermined target of 75%, underscoring our commitment to sustainable practices and resource efficiency.

2. Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India:

Does the entity have any sites / facilities identified as DCs under the PAT Scheme of the Government of India? (Y/N)

No, we have not identified any sites/facilities as Designated Consumers (DCs) under the PAT scheme of the Government of India:

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	51,267.834	42,787.273
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	7,823.954	9,379.312
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**59,091.788**	**52,166.585**
Total volume of water consumption (in kilolitres)	**41,518.858**	**38,534.3702**
Water intensity per rupee of turnover (Water consumed / turnover)	0.000010	0.000014
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company has not conducted any such assessment, evaluation, or assurance by an external agency. The water withdrawal and consumption details are solely evaluated internally.

4. Mechanism for Zero Liquid Discharge:

Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

In its commitment to being a responsible corporate citizen, the Company has mechanisms to treat and recycle all the wastewater generated by their industrial processes. They have installed a state-of-the-art treatment plant that uses a combination of physical, chemical, and biological processes to treat the wastewater. The treated water is then passed through a series of filtration and evaporation processes to remove all the impurities and contaminants, leaving behind only pure and clean water that can be reused within the plant. The remaining solid waste is disposed off in a responsible and environmentally sustainable manner.

The Company has established Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs), the Company endeavours to minimize the quantity of water discharged to the greatest extent possible, in accordance with feasible measures.

There exists a mechanism to treat and recycle all the wastewater generated by the industrial processes. The Company has installed a state-of-the-art treatment plant that uses a combination of physical, chemical, and biological processes to treat the wastewater. The treated water is then passed through a series of filtration and evaporation processes to remove all the impurities and contaminants, leaving behind only pure and clean water that can be reused within the plant. The remaining solid waste is disposed of in a responsible and environmentally sustainable manner.

- The liquid from the Sewage Treatment Plant (STP) undergoes processing in the STP plant, where it is converted into sludge, and the treated water is repurposed for flushing toilets and gardening purposes.
- The liquid from the Effluent Treatment Plant (ETP) is treated in the ETP plant, resulting in the production of ETP sludge, which is then disposed of in an environmentally responsible manner by appointing authorized vendors.

By adopting a Zero Liquid Discharge mechanism, the Company has been able to reduce its dependence on freshwater sources, minimize its impact on the environment, and ensure that all the wastewater generated is treated and recycled in a responsible and sustainable manner.

Business Responsibility and Sustainability Report (Contd.)

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	NIL	NIL	NIL
SOx	NIL	NIL	NIL
Particulate matter (PM)	NIL	NIL	NIL
Persistent organic pollutants (POP)	NIL	NIL	NIL
Volatile organic compounds (VOC)	NIL	NIL	NIL
Hazardous air pollutants (HAP)	NIL	NIL	NIL
Others – please specify	NIL	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: The Company has not conducted any such assessment, evaluation, or assurance by an external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	26,912.56	246,825.32
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2,240,385	3,849,172
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent	0.00071	0.00134
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO_2 equivalent	2,267,298	4,095,997

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We are pleased to report a significant reduction in emissions during FY 2022-23, with a notable decrease of approximately 50% compared to FY 2021-22. This achievement showcases our commitment to environmental sustainability and highlights our ongoing efforts to minimize our carbon footprint.

Further, the Company has not conducted any such assessment, evaluation, or assurance by an external agency. The details are solely evaluated internally.

7. Project related to reducing Green House Gas emission:

Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.	We are pleased to announce a noteworthy reduction in emissions for the financial year 2022-23, demonstrating a remarkable decrease of approximately 50% compared to the preceding financial year 2021-22. This achievement serves as a testament to our unwavering commitment to environmental sustainability and exemplifies our ongoing efforts to mitigate our carbon footprint. The organization has made substantial strides in fulfilling its energy requirements for manufacturing operations by leveraging renewable solar energy. A significant proportion of the electricity consumed throughout the year, approximately 25%, was supplied by rooftop solar panels and a solar park situated within the factory premises. Furthermore, to bolster our renewable energy endeavours, the organization has installed a total capacity of 1.9 MW in its solar plant. Furthermore, it has entered into power supply and off-take agreements to ensure the provision of solar power, with a capacity of up to 2 MW or 3,000,000 units per year.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	654.9	564.41
E-waste (B)	0.48	0
Bio-medical waste (C)	0.0025	0.0022
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3.48	0.913
Total (A+ B + C + D + E + F + G + H)	**658.8625**	**565.3252**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Due to the inherent nature of our business operations, the Company has limited opportunities within this particular domain.	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	The Company abstains from engaging in any practices such as incineration or landfilling for waste disposal. Instead, waste disposal is strictly directed through an approved vendor designated by the Karnataka State Pollution Control Board (KSPCB).	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company has not conducted any independent assessment/ evaluation by an external agency.

9. Waste management practices adopted in the establishment:

Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.	The Company has implemented a waste management system that ensures proper handling, segregation, transportation, and disposal of different types of wastes, thus promoting environmental sustainability and the safety of the workers involved in waste management. A color-coding system exists for the purpose of categorizing various types of wastes. The colour red is employed to denote hazardous waste, green is designated for biodegradable waste, yellow is utilized for adhesive waste, and blue is assigned to plastic waste. This system aids in the convenient identification and segregation of different waste types, thereby facilitating effective disposal. The safety of workers is crucial in waste management, as they are exposed to various hazards while handling waste. Hence the provision of safety Personal Protective Equipment (PPE) is given to the workers who handle waste. An authorized vendor has been identified for receiving scraps and waste. This ensures that the waste is collected and handled by a responsible and authorized vendor. Waste disposal is routed through an approved vendor by KSPCB (Karnataka State Pollution Control Board) Separate transportation facility for waste disposal purposes. This ensures that the waste is transported in a safe and organized manner and is disposed of in an environmentally responsible manner. The Company identifies and monitors waste categories beyond the four-color-coded categories. These categories include E-waste, aluminium waste, roll storage waste, and metal scraps, and require specialized handling and disposal techniques.

Business Responsibility and Sustainability Report (Contd.)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
		-	

The Company does not have any offices or operational sites in the vicinity of any ecologically sensitive area.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Considering the nature of the Company's operations, the requirement of conducting an Environmental Impact Assessment (EIA) as mandated by The Ministry of Environment, Forests and Climate Change (MoEFCC) does not apply to the Company.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is fully compliant with all the applicable environmental laws/regulations/ guidelines in India including but not limited to Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules.

PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

SUSTAINABLE DEVELOPMENT GOALS

2 ZERO HUNGER | 7 AFFORDABLE AND CLEAN ENERGY | 10 REDUCED INEQUALITIES | 11 SUSTAINABLE CITIES AND COMMUNITIES | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 17 PARTNERSHIPS FOR THE GOALS

A) ESSENTIAL INDICATORS:

1. A) Affiliations with trade and industry chambers/ associations:

Number of affiliations with trade and industry chambers/ associations.
Currently, the Company is a member of 6 associations.

B) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry	National
2.	Indo America Chamber of Commerce	National
3.	The Plastic Export Promotion Council	National
4.	The Automotive Component Manufacturers Association	National
5.	Quality Circle Forum of India	National
6.	The Society of Indian Automobile Manufacturers	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
-	-	-

The Company has not engaged in any anti-competitive conduct.

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

A) ESSENTIAL INDICATORS:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
This section is not applicable to the Company as there were no projects that required SIA to be undertaken under Law					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
This section is not applicable to the Company as there were no projects that required Rehabilitation and Resettlement (R&R).						

3. Community redressal mechanism:

Describe the mechanisms to receive and redress grievances of the community.

Grievance Redressal Mechanism (GRM) is an important aspect of assuring our strong relation with the community as it provides us social license the to operate and execute the community initiative projects. As part of our grievance redressal mechanism, we have deployed our local employees who regularly visit the community and interact with people to gauge and address community concerns.

Receiving and redressing grievances of the community typically involves a multi-step process that begins with establishing channels for individuals or groups to voice their concerns and ends with addressing and resolving those grievances in a fair and timely manner. The following are mechanisms that are employed to receive and redress grievances of the community:

The Company through local panchayath on regular basis identifies the needs of the local community and fulfils their requirements through various CSR initiatives and the Company's representatives on regular basis visits the local community to get feedback and monitor the CSR projects. This helps to ensure that the Company is aware of the needs of the local community and that their CSR initiatives are meeting those needs. It also allows them to develop a better understanding of the community, which can help them create more effective CSR initiatives in the future.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	NIL	NIL
Sourced directly from within the district and neighbouring districts	NIL	NIL

PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

The Company's commitment to engaging with and providing value to our consumers in a responsible manner is an essential part of our business strategy. We believe that by doing so, we can build trust and loyalty with our customers and contribute to a sustainable future for all.

As a responsible business, we recognize the importance of engaging with and providing value to our consumers in a responsible manner. We aim to ensure that our products and services meet the needs of our customers while minimizing any negative impacts on society and the environment.

Business Responsibility and Sustainability Report (Contd.)

To achieve this, we strive to understand the needs and preferences of our customers and engage with them through various channels to provide the best possible experience. We also aim to provide accurate and transparent information about our products and services, including their safety, quality, and environmental impact.

We believe in responsible marketing practices and avoid any form of deceptive advertising or promotion. Our pricing policies are fair and transparent, and we do not engage in any anti-competitive behaviour.

A) ESSENTIAL INDICATORS:

1. Consumer Complaints and feedback:

Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

A well-established system is in place for dealing with Consumer/Customer feedback. Consumers are provided multiple options to connect with the Company through email, telephone, website, feedback forms, etc.

In addition, the Company's businesses have a dedicated consumer response cell to respond to their queries and receive feedback on products so as to be able to continuously improve upon its products and services.

1. The Company has dedicated consumer complaint procedure (written and approved) and all the complaints are submitted to internal quality check team and the Company has maintained dedicated registers that included mitigation strategies and all related aspects starting from registering the complaint till closing the complaint.
2. The scope of the procedure extends to complaints encountered at Customer Complaint, Customer Rejections, Warranty and Emergency Support for Customer Complaint which helps in realising the objectives.

The Company aims to provide systematic procedures for CAPA areas appropriate to the product and implementing the same where risks are encountered and further systemised for effective planning.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	0	0	None	0	0	None
Other	11	0	All complaints received during this financial year were related to general concerns, and the same has been promptly resolved them with utmost priority	18	0	All complaints received during the financial year 2021-22 were related to general checks and has been promptly resolved with utmost priority.

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	NIL	-
Forced recalls	NIL	-

- There have been no instances of product recall (voluntary or forced) on account of safety issues during the financial year 2022-23.

5. Cyber security policy:

Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has implemented a comprehensive framework and adopted policies and mechanisms to ensure robust cyber security. Key among these measures is the establishment of a primary disaster recovery site, which serves as a crucial component of our cyber security infrastructure.

The primary disaster recovery site is designed to provide redundancy and resilience, enabling rapid recovery and restoration of operations in the face of cyber incidents or other unforeseen disasters. It is equipped with state-of-the-art technologies, redundant systems and secure data backups to safeguard enterprise data.

The cyber security policy of the Company is critical for protecting the digital assets from cyber threats. It covers information systems, networks, and data security, roles and responsibilities, and incident response procedures. All employees, contractors, and interns must comply with this policy, which includes protecting confidential data, securing devices, safe email practices, proper password management, secure data transfer, and reporting security breaches. The IT Team installs security measures, provides training, and investigates breaches, while additional measures include device security, reporting stolen equipment, and following policy provisions. The System Administrator implements firewalls, anti-malware, and access authentication systems, and provides regular security training to employees.

The Company's Cyber security policy defines the framework/policy on cyber security and risks related to data privacy.

The policy can be accessed at the given link:

https://www.sjsindia.com/investors.html#policies

6. Corrective Actions: No incidents

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

This particular section does not find applicability within the context of the Company since there were no issues relating to the same.

Independent Auditor's Report

To the Members of S.J.S Enterprises Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of S.J.S Enterprises Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 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 on the standalone financial statements.

Key Audit Matters

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

Revenue Recognition	
Refer note 2(a) to the standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from sale of goods in the ordinary course is recognized at contract price after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government when the control of the goods has been transferred to the customer and there is no unfulfilled performance obligation. Revenue from sale of goods is recognised primarily at the point in time when the goods are delivered to the customer. The Company and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others, to obtain audit evidence: 1. We evaluated the revenue recognition accounting policies by comparing it with the applicable accounting standards. 2. We, together with the IT specialists, tested the design, implementation and operating effectiveness of key controls over recognition of revenue. 3. On a sample basis, we tested the revenue transactions recorded during the year by verifying the underlying documents such as sales orders, contractual terms of the invoice and the delivery receipts. 4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year-end date to determine that revenue is recognised in the financial period in which control is transferred, based on the terms and conditions set out in sales orders, sales invoice and delivery receipts. 5. We scrutinised journal entries posted to revenue account, based upon specific risk based criteria, to identify unusual or irregular items.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report, but does not include the financial statements and auditor's report thereon. The Company's 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 Company's 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 take necessary action as applicable, under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

1. 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, to the extent applicable.

2 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 purposes 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 balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 45 to the standalone financial statements, 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 Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 45 to the standalone financial statements, 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:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner
Membership No.: 223018
ICAI UDIN: 23223018BGXLRY8331

Place: Bengaluru
Date: 15 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of S.J.S Enterprises Limited for the year ended 31 March 2023

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in the firm and limited liability partnership. The Company has not granted any loans, secured or unsecured, to firms and limited liability partnership during the year. The Company has made investments in an associate and other parties during the year. The Company has given a loan to its wholly owned subsidiary and to other parties (employees) in respect of which the requisite information are given below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loan to its wholly owned subsidiary and other parties (employees) as below:

Particulars	**Loans (₹ in Million)**
Aggregate amount of loan given during the year	
Wholly owned subsidiary	60.00
Others (employees)	11.55
Balance outstanding as at balance sheet date	
Wholly owned subsidiary	80.00
Others (employees)	2.97

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any advances in the nature of loans during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of a loan given to its wholly owned subsidiary, in our opinion the repayment of principal and payment of interest has been stipulated however the same is not yet due. In case of loan given to other parties (employees) the repayment of principal has been regular. The loan given to other parties (employees) are interest free and hence there are no stipulation with respect to the payment of interest. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advances in the nature of loans to any party during the year.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 (“the Act”). In respect of the investments made and loan given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been generally regularly deposited by the Company with the appropriate authorities except GST on support services which is mentioned below.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees

State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Central Goods and Service Tax Act, 2017	GST on support services	52,419,820	January to September 2022	Multiple	Yet to be paid	

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act,1961	Income Tax and interest	8,347,854	2009-2010	Deputy Commissioner, Income Tax, Bengaluru
The Income Tax Act,1961	Income Tax and interest	25,077,633	2014-15, 2017-18, 2018-19 and 2020-21	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Ineligible input tax availed	3,431,271 (3,000,000)*	June 2006 to March 2009	Customs,Excise and Service Tax Appellate Tribunal, Bengaluru
The Central Goods and Service Tax Act, 2017	Ineligible input tax availed	2,002,862	2017-2018	Commissioner Appeals (GST)

* Amount mentioned in parenthesis represent payments made under protest.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its wholly owned subsidiary or associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner

Place: Bengaluru
Date: 15 May 2023

Membership No.: 223018
ICAI UDIN: 23223018BGXLRY8331

Annexure B to the Independent Auditor's Report on the standalone financial statements of S.J.S Enterprises Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of S.J.S Enterprises Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner

Place: Bengaluru
Date: 15 May 2023

Membership No.: 223018
ICAI UDIN: 23223018BGXLRY8331

Standalone Balance Sheet

as at 31 March 2023

(₹ in million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,341.53	1,387.06
Capital work-in-progress	3	5.49	1.91
Right-of-use assets	22	76.68	77.04
Goodwill	4, 42	39.51	39.51
Other intangible assets	4	17.09	23.27
Financial Assets			
i. Investments	5	676.67	640.00
ii. Loans	6	80.00	20.00
iii. Other non-current financial assets	7	13.87	9.37
Income tax assets (net)	8	-	18.46
Other non-current assets	9	59.51	53.03
Total Non-current assets		**2,310.35**	**2,269.65**
Current assets			
Inventories	10	319.85	279.67
Financial assets			
i. Investments	5	1,351.03	784.42
ii. Trade receivables	11	551.11	586.99
iii. Cash and cash equivalents	12	56.95	48.12
iv. Bank balance other than cash and cash equivalents	13	203.06	50.98
v. Loans	6	2.97	2.52
vi. Other current financial assets	7	57.88	43.20
Other current assets	9	31.30	46.02
Total Current assets		**2,574.15**	**1,841.92**
Total Assets		**4,884.50**	**4,111.57**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	304.38	304.38
Other equity	15	3,876.97	3,271.06
Total Equity		**4,181.35**	**3,575.44**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Lease liabilities	22	0.07	0.08
Deferred tax liabilities (net)	16	89.64	88.31
Total Non-current liabilities		**89.71**	**88.39**
Current liabilities			
Financial liabilities			
i. Borrowings	17	191.14	76.97
ii. Lease liabilities	22	0.02	-
iii. Trade payables	18		
a) total outstanding dues of micro enterprises and small enterprises		102.67	65.75
b) total outstanding dues of creditors other than micro enterprises and small enterprises		101.83	77.26
iv. Other current financial liabilities	19	133.82	158.36
Income tax liability (net)	8	5.26	47.40
Other current liabilities	20	70.78	17.44
Provisions	21	7.92	4.56
Total Current liabilities		**613.44**	**447.74**
Total Liabilities		**703.15**	**536.13**
Total Equity and Liabilities		**4,884.50**	**4,111.57**
Significant accounting policies	2		
See accompanying notes to the standalone financial statements			

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph	**Sanjay Thapar**	**Mahendra Kumar Naredi**	**Thabraz Hushain. W**
Managing Director	CEO and Executive Director	Chief Financial Officer	Company Secretary
DIN: 00784084	DIN: 01029851	PAN: AEWPN9414M	PAN: ABVPW4613P
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023

Standalone Statement of Profit and Loss

for the Year Ended 31 March 2023

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	23	2,961.92	2,678.85
Other income	24	85.27	34.16
Total Income		**3,047.19**	**2,713.01**
EXPENSES			
Cost of materials consumed	25	1,136.71	992.01
Changes in inventory of finished goods, work-in-progress and stores and spares	26	(38.67)	20.50
Employee benefits expense	27	453.30	409.12
Finance costs	28	6.72	4.84
Depreciation and amortization expense	29	164.05	154.13
Other expenses	30	538.12	437.90
Total Expenses		**2,260.23**	**2,018.50**
Profit before tax		**786.96**	**694.51**
Tax expense	31		
Current tax		195.48	180.12
Deferred tax charge / (credit)		3.62	(4.22)
Total tax expense		**199.10**	**175.90**
Profit for the year		**587.86**	**518.61**
Other Comprehensive (Expense) / Income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of defined benefit plans	40	(9.12)	2.43
Income tax relating to items that will not be reclassified to profit or loss	31	2.29	(0.61)
Other Comprehensive (Expense) / Income for the year, net of tax		**(6.83)**	**1.82**
Total Comprehensive Income for the year		**581.03**	**520.43**
Earnings per equity share (face value of ₹10 each)			
Basic (in ₹)	32	19.31	17.04
Diluted (in ₹)	32	19.06	16.88
Significant accounting policies	2		
See accompanying notes to the standalone financial statements			

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 15 May 2023

Sanjay Thapar
CEO and Executive Director
DIN: 01029851

Place: Bengaluru
Date: 15 May 2023

Mahendra Kumar Naredi
Chief Financial Officer
PAN: AEWPN9414M

Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 15 May 2023

Standalone Statement of Cash Flows

for the Year Ended 31 March 2023

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	**786.96**	**694.51**
Adjusted for:		
Depreciation and amortization expense	164.05	154.13
Share based payments	23.20	13.95
Loss on sale and write off of property, plant and equipment, net	1.46	3.36
Interest income	(25.56)	(13.89)
Interest expense	6.72	4.84
Unrealised foreign exchange gain, net	0.52	(3.70)
Unrealised gain on current investment measured at fair value through profit or loss	(17.28)	(4.33)
Gain on sale of investments measured at fair value through profit or loss	(27.35)	(4.76)
Loss allowances on financial assets, net	(0.24)	(0.61)
Bad debt written off	0.29	0.92
Liabilities no longer required, written back	(0.01)	(0.70)
Operating cash flow before working capital changes	**912.76**	**843.72**
Adjustments for increase / decrease in operating assets and liabilities		
Changes in trade receivables	33.78	12.93
Changes in inventories	(40.18)	52.68
Changes in loans	(0.45)	(1.57)
Changes in current and non-current assets	22.05	(2.24)
Changes in current and non-current financial assets	(5.91)	(42.74)
Changes in trade payables	61.74	(108.81)
Changes in current and non current financial liabilities	(19.99)	0.18
Changes in provisions	(5.76)	(8.06)
Changes in current and non current liabilities	53.34	(9.23)
Cash generated from operations	**1,011.38**	**736.86**
Income tax paid, net of refund	(219.15)	(172.03)
Net cash generated from operating activities (A)	**792.23**	**564.83**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(136.60)	(107.33)
Proceeds from sale of property, plant and equipment	1.23	0.42
Investment in mutual funds	(2,216.59)	(1,274.96)
Proceeds from sale of mutual funds	2,090.49	1,314.29
Investment in bonds, commercial papers and others	(721.06)	-
Proceeds from sale of commercial paper	300.00	-
Investment in terrm deposit	(150.00)	(1,108.79)
Proceeds from maturity of term deposits	-	1,217.75
Interest received on deposits	6.38	16.39
Inter corporate loan to wholly owned subsidiary (refer Note 36)	(60.00)	(20.00)
Acquisition of wholly owned subsidiary (refer Note 5)	-	(640.00)
Acquisition of shares in an associate enterprise (refer Note 5)	(6.00)	-
Net cash generated from investing activities (B)	**(892.15)**	**(602.23)**

Standalone Statement of Cash Flows

for the Year Ended 31 March 2023

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from financing activities		
Proceeds / (Repayment) of short-term borrowings, net	114.17	(15.10)
Dividend paid	-	(111.10)
Interest paid	(6.71)	(4.83)
Net cash generated from financing activities (C)	**107.46**	**(131.03)**
Net increase / (decrease) in cash and cash equivalents (A+ B+ C)	7.54	(168.43)
Cash and cash equivalents at the beginning of the year	48.12	216.12
Effects of exchange rate gain on cash and cash equivalents	1.29	0.43
Cash and cash equivalents at the end of the year	**56.95**	**48.12**
Components of cash and cash equivalents (refer Note 12)		
Cash in hand	0.30	0.16
Balance with banks		
- in current account	39.58	30.72
- in Exchange earner's foreign currency accounts	13.67	13.84
- Deposits with original maturity of less than 3 months	3.40	3.40
Cash and cash equivalents as per Balance Sheet	**56.95**	**48.12**

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities:

(₹ in million)

Particulars	As at 1 April 2022	Cash flows	Non-cash movements	As at 31 March 2023
Short-term borrowings	76.97	114.17	-	191.14
Interest accrued but not due	-	(6.71)	6.71	-
Total liabilities from financing activities	**76.97**	**107.46**	**6.71**	**191.14**

(₹ in million)

Particulars	As at 1 April 2021	Cash flows	Non-cash movements	As at 31 March 2022
Short-term borrowings	92.07	(15.10)	-	76.97
Interest accrued but not due	-	(4.83)	4.83	-
Total liabilities from financing activities	**92.07**	**(19.93)**	**4.83**	**76.97**

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Starndard) Rules, 2015 under the Companies Act, 2013.

Significant accounting policies (refer Note 2)

See accompanying notes to the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 15 May 2023

Sanjay Thapar
CEO and Executive Director
DIN: 01029851

Place: Bengaluru
Date: 15 May 2023

Mahendra Kumar Naredi
Chief Financial Officer
PAN: AEWPN9414M

Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 15 May 2023

Standalone Statement of Changes in Equity

for the Year Ended 31 March 2023

Equity Share capital

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	304.38	304.38
Changes in equity share capital	-	-
Closing balance	**304.38**	**304.38**

Other Equity

(₹ in million)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	General reserve	Share options outstanding account	Securities premium	Retained earnings		
As at 1 April 2022	**8.85**	**13.95**	**39.41**	**3,212.53**	**(3.68)**	**3,271.06**
Profit for the year	-	-	-	587.86	-	587.86
Share based payment to employees	-	24.88	-	-	-	24.88
Other comprehensive income / (expense)	-	-	-	-	(6.83)	(6.83)
Total comprehensive income	-	**24.88**	-	**587.86**	**(6.83)**	**605.91**
Dividend paid during the year	-	-	-	-	-	-
As at 31 March 2023	**8.85**	**38.83**	**39.41**	**3,800.38**	**(10.51)**	**3,876.97**
As at 1 April 2021	**8.85**	-	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**
Profit for the year	-	-	-	518.61	-	518.61
Share based payment to employees	-	13.95	-	-	-	13.95
Other comprehensive income / (expense)	-	-	-	-	1.82	1.82
Total comprehensive income	-	**13.95**	-	**518.61**	**1.82**	**534.38**
Dividend paid during the year	-	-	-	(111.10)	-	(111.10)
As at 31 March 2022	**8.85**	**13.95**	**39.41**	**3,212.53**	**(3.68)**	**3,271.06**

Significant accounting policies (refer Note 2)

See accompanying notes to the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084
Place: Bengaluru
Date: 15 May 2023

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PAN: AEWPN9414M
Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P
Place: Bengaluru
Date: 15 May 2023

Notes to the standalone financial statements

1. Company overview

S.J.S. Enterprises Limited is a Company, incorporated and domiciled in India. The Company was formed as a partnership firm in 1987 and was converted to private limited company in 2005. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and , the Bombay Stock Exchange Limited (BSE) on 15 November 2021. The Company is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive and consumer appliance industry such as automotive dials, overlays, badges and logos.

The registered office of the Company is at Sy.Nos – 28/ P16 Agra Village & 85/ P6 BM Kaval Village, Kengeri Hobli, Bangalore South 560082, Karnataka, India.

a) Statement of Compliance and presentation

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These standalone financial statements were approved by the Board of Directors of the Company in their meeting held on 15 May 2023.

b) Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except:

a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.

b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

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 the market participants at the measurement date.

These standalone financial statements have been prepared as a going concern on the basis of relevant Ind AS that are effective at the Company's reporting date, 31 March 2023.

c) Functional currency and presentation

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million up to two decimal places, unless otherwise mentioned.

d) Use of estimates, assumptions and judgements

The preparation of standalone financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of the standalone financial statements and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in which the estimates are revised, and future periods are affected.

Assumptions, judgements and estimation:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;
- Note 2(g) and Note 2(h) – Valuation of investments
- Note 2 (i) - Impairment of financial assets
- Note 2 (m) - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 2 (o) - Lease classification;

- Note 2 (q) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Note 34 - Financial instruments - fair values and risk management

e) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f) Fair value measurement

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** inputs are inputs other than quoted prices included in 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 are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 33: financial instruments

2. Summary of Significant accounting policies

(a) Revenue recognition

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods.

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Notes to the standalone financial statements

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities. For certain contracts that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at the point in time when control is transferred to customer.

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Scrap sales

Revenue from sale of scraps in the course of ordinary activities is measured at the transaction price.

Trade receivables

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Sale of services

Revenue with respect to sale of services is recognized when the services are rendered, and no significant uncertainty exists regarding the collection of consideration.

Export incentives

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same.

Variable consideration

If the consideration in a contract includes a variable amount, such as sales returns and discounts, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income

Other income comprises interest income on deposits, gain/ (losses) on disposal of financial assets and non-financial assets. It is recognised on accrual basis except where the receipt of income is uncertain.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Dividend income is accounted when the right to receive the dividend is established, Dividend income is included under the head "Other income" in the statement of profit and loss account.

(b) Business combination

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Other intangible assets:

Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and is included in depreciation and amortisation expenses in the statements of profit and loss. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

(c) Property, plant and equipment

Property, plant and equipment, excluding Freehold land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on bringing the assets to working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing them and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and such expenditure can be measured reliably.

Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

A property, plant and equipment is eliminated from the standalone financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under capital work in progress.

Notes to the standalone financial statements

Depreciation and useful lives

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Based on the internal technical assessment, the management believes that the useful lives as given below, which are different from those prescribed in Part C of schedule II of the Act, best represent the period over which Management expects to use these assets.

Property, Plant and Equipment	Management's estimate of useful life (in years)	Useful life as per Schedule II
Building	30	30
Electrical Installations	10	10
Plant and machineries	15	15
Furniture and fixtures	10	10
Computers	3	3
Servers	3	6
Office equipment	5	5
Vehicle	8	8

Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains / losses.

(d) Other Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets that is considered for amortization of intangible assets are as follows:

Intangible Asset	Management's estimate of useful life (in years)
Computer Software	3
Technical Know How	3
Customer Relationship	7
Non-compete	3

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss.

(e) Impairment of non-financial asset

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets (other than inventories, contract asset and deferred tax assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset / CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized immediately in the statement of profit and loss.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.

The method of determination of cost is as follows:

- Raw materials and components – on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes cost of conversion.
- Finished goods– includes cost of conversion.
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

(g) Investment in subsidiaries

Investment in subsidiaries are shown at cost less impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss.

On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

(h) Investment in associates

Investment in associates is under the equity method. On initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognised in the investor's profit or loss.

(i) Financial Instruments

A. Financial assets

i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

Notes to the standalone financial statements

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- Amortised cost
- Fair value through other comprehensive income (FVOCI) - debt instruments;
- Fair value through other comprehensive income (FVOCI) - equity investments; or
- Fair value through profit and loss (FVTPL).

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit or loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVTOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 month ECL.

iii) Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

B. Financial liability

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Notes to the standalone financial statements

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/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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 amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

Offsetting

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

(j) Cash and cash equivalents

Cash and cash equivalent includes cash in hand, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(k) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(l) Foreign Currency transactions and translations

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(m) Employee benefits

(i) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through a third party trust and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(iii) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the

Notes to the standalone financial statements

related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(v) Share-based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and Company's estimate of equity instruments that will vest. That cost is recognized, together with a corresponding increase in share-options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

(n) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production of upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.. All other borrowing costs are expensed in the period in which they occur.

(o) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use (ROU) asset representing its right to use the underlying assets for the lease term and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss..

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company applies the short-term lease recognition exemption to all assets that have a lease term of 12 months or less from the commencement date. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Further, leases for which the underlying asset is of low value has been recognized immediately in the Statement of Profit and Loss.

(p) Taxation

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction, and temporary investment related to investment in subsidiaries, associates and joint agreements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(q) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future operating losses are not provided for.

(ii) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Notes to the standalone financial statements

(iii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

(r) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the entity as a whole for the purpose of making decisions about resource allocation and performance assessment. Refer Note 41 for segment information and segment reporting.

(t) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(u) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

IND AS 1 – Presentation of financial statement

The amendment specifies Companies to disclose material accounting policies rather than their significant accounting policies since the accounting policy information, together with other information is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

The Company does not expect the amendment to have any significant impact in its financial statements.

IND AS 8, Accounting policies, Change in accounting estimates and Errors

The amendment has replaced the definition of "change in account estimate " with revised definition of "accounting estimate".

The Company does not expect the amendment of change in definition to have any significant impact in its financial statements.

IND AS 12, Income Taxes

The amendment has narrowed the scope of Initial recognition exemption (IRE) which now does not apply to transactions that give rise to equal and offsetting temporary differences. Accordingly, the Companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of lease and decommissioning provision.

The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the standalone financial statements

3. Property, Plant and Equipment and Capital Work-in-Progress

(₹ in million)

Particulars	Freehold Land	Buildings	Electrical installations	Plant and machineries	Furniture and fixtures	Computers (including servers)	Office equipment	Vehicles	Total	Capital work-in-progress (Note i)
Cost or Deemed Cost										
As at 31 March 2021	**278.10**	**507.81**	**134.43**	**981.68**	**28.04**	**16.23**	**45.29**	**37.57**	**2,029.15**	**42.52**
Additions	-	2.82	24.39	76.42	3.36	7.59	0.65	12.01	**127.24**	1.91
Deletions	-	-	-	(6.74)	-	(0.03)	-	-	**(6.77)**	-
Capitalised	-	-	-	-	-	-	-	-	-	(42.52)
As at 31 March 2022	**278.10**	**510.63**	**158.82**	**1,051.36**	**31.40**	**23.79**	**45.94**	**49.58**	**2,149.62**	**1.91**
Additions	-	0.93	-	79.43	2.55	14.20	2.22	13.65	**112.98**	5.49
Deletions	-	-	-	(1.52)	-	(1.67)	(3.23)	(4.70)	**(11.12)**	
Capitalised	-	-	-	-	-	-	-	-	-	(1.91)
As at 31 March 2023	**278.10**	**511.56**	**158.82**	**1,129.27**	**33.95**	**36.32**	**44.93**	**58.53**	**2,251.48**	**5.49**
Accumulated depreciation										
As at 31 March 2021	-	**65.48**	**37.49**	**458.50**	**8.88**	**12.38**	**26.33**	**11.07**	**620.13**	-
Depreciation for the year	-	16.07	13.61	98.61	2.34	2.84	6.50	5.45	**145.42**	-
Depreciation on deletions	-	-	-	(2.96)	-	(0.03)	-	-	**(2.99)**	-
As at 31 March 2022	-	**81.55**	**51.10**	**554.15**	**11.22**	**15.19**	**32.83**	**16.52**	**762.56**	-
Depreciation for the year	-	16.12	15.41	104.47	2.61	4.81	6.51	5.92	**155.85**	-
Depreciation on deletions	-	-	-	(0.33)	-	(1.58)	(3.07)	(3.48)	**(8.46)**	-
As at 31 March 2023	-	**97.67**	**66.51**	**658.29**	**13.83**	**18.42**	**36.27**	**18.96**	**909.95**	-
Net carrying amount										
As at 31 March 2021	**278.10**	**442.33**	**96.94**	**523.18**	**19.16**	**3.85**	**18.96**	**26.50**	**1,409.02**	**42.52**
As at 31 March 2022	**278.10**	**429.08**	**107.72**	**497.21**	**20.18**	**8.60**	**13.11**	**33.06**	**1,387.06**	**1.91**
As at 31 Marrch 2023	**278.10**	**413.89**	**92.31**	**470.98**	**20.12**	**17.90**	**8.66**	**39.57**	**1,341.53**	**5.49**

Note (i)

(a) The ageing information for capital work in progress for the year ended 31 March 2023 and 31 March 2022 are as follows:

(₹ in million)

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 - 2 Years	2-3 Years	More than 3 years	Total
31 March 2023					
Projects in progress	5.49	-	-	-	**5.49**
Projects temporarily suspended	-	-	-	-	-
	5.49	**-**	**-**	**-**	**5.49**
31 March 2022					
Projects in progress	1.91	-	-	-	**1.91**
Projects temporarily suspended	-	-	-	-	-
	1.91	**-**	**-**	**-**	**1.91**

(b) There are no capital work in progress whose completion is overdue or exceeded its cost compared to its original plan.

(c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the company.

Notes to the standalone financial statements

4. Other Intangible assets

(₹ in million)

Particulars	Goodwill* (A)	Other intangible assets					Total (A+B)
		Software	Technical Know-how	Customer relationship*	Non-compete fees*	Total (B)	
Cost or Deemed Cost							
As at 31 March 2021	**39.51**	**23.42**	**2.92**	**37.56**	**12.20**	**76.10**	**115.61**
Additions	-	5.64	-	-	-	**5.64**	**5.64**
As at 31 March 2022	**39.51**	**29.06**	**2.92**	**37.56**	**12.20**	**81.74**	**121.25**
Additions	-	1.70	-	-	-	**1.70**	**1.70**
Deletions	-	(0.70)	-	-	-	**(0.70)**	**(0.70)**
As at 31 March 2023	**39.51**	**30.06**	**2.92**	**37.56**	**12.20**	**82.74**	**122.25**
Accumulated amortization							
As at 31 March 2021	**-**	**19.69**	**2.92**	**15.66**	**11.85**	**50.12**	**50.12**
Amortization for the year	-	2.64	-	5.37	0.34	**8.35**	**8.35**
As at 31 March 2022	**-**	**22.33**	**2.92**	**21.03**	**12.19**	**58.47**	**58.47**
Amortization for the year		2.47	-	5.37	-	**7.84**	**7.84**
Amortization on deletions	-	(0.66)	-	-	-	**(0.66)**	**(0.66)**
As at 31 March 2023	**-**	**24.14**	**2.92**	**26.39**	**12.19**	**65.65**	**65.65**
Net carrying amount							
As at 31 March 2021	**39.51**	**3.73**	**-**	**21.90**	**0.35**	**25.98**	**65.49**
As at 31 March 2022	**39.51**	**6.73**	**-**	**16.53**	**0.01**	**23.27**	**62.78**
As at 31 March 2023	**39.51**	**5.91**	**-**	**11.17**	**0.0**	**17.09**	**56.60**

*Refer note 42

(a) The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less costs of disposal and its value in use. The Company is expected to benefit from the synergies of the business acquisition and the Company is considered as a single CGU. The fair value of a CGU is determined based on the market capitalization of the Company. As of 31 March 2023 and 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount, hence no impairment is triggered.

(b) The Company does not have any intangible assets under development

5. Investments

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non current		
Carried at cost		
Investment in equity instruments of subsidiary - Unquoted		
28,00,000 (31 March 2022: 28,00,000) fully paid up equity shares of Exotech Plastics Private Limited [refer Note (a)]	640.00	640.00
Investment in equity instruments of associate - Unquoted		
6,00,000 (31 March 2022: Nil) fully paid up equity shares of Surya Urja Two Private Limited [refer Note (b)]	6.00	-
Unquoted- carried at amortized cost		
Investment in bonds	30.67	-
Total	**676.67**	**640.00**

Notes to the standalone financial statements

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Carried at fair value through profit or loss (FVTPL)		
Investment in mutual funds - Unquoted*	955.13	784.42
Unquoted- carried at amortized cost		
Investment in bonds, commercial papers and others	395.90	-
Total	**1,351.03**	**784.42**
Investment in mutual fund - Unquoted		
142,039.52 units (31 March 2022: 206,080.20 units) in Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	51.11	70.16
Nil units (31 March 2022: 344,428.24 units) in Aditya Birla Sun Life Savings Fund - Growth - Regular Plan	-	151.66
11,032.57 units (31 March 2022: 23,245.42 units) in DSP Liquidity Fund - Regular Plan - Growth	35.17	70.15
Nil units (31 March 2022: 23,468.20 units) in Kotak Liquid Fund - Regular Plan - Growth	-	100.42
Nil units (31 March 2022: 17,478.91 units) in Nippon India Liquid Fund - Growth	-	90.27
37,893.08 units (31 March 2022: 18,692.95 units) in Tata Money Market Fund - Regular Plan - Growth	151.42	70.77
Nil units (31 March 2022: 21,048.29 units) in Tata Liquid Fund - Regular Plan - Growth	-	70.16
Nil units (31 March 2022: 45,197.78 units) in Tata Overnight Fund - Regular Plan - Growth	-	50.53
Nil units (31 March 2022: 1,926,537.46 units) in SBI Short Term Debt Fund - Regular Plan - Growth	-	50.18
14,666,150.63 units (31 March 2022: Nil units) in Aditya Birla Sun Life CRISIL IBX AAA - Jun 2023 Index Fund - Regular Growth	154.11	-
17,172.63 units (31 March 2022: Nil units) in SBI Liquid Fund - Regular Growth	60.04	-
2,228,040.87 units (31 March 2022: Nil units) in DSP Savings Fund - Regular Plan - Growth	99.96	-
43,386.85 units (31 March 2022: Nil units) in Axis Money Market Fund - Direct Growth	52.83	-
6,212,481.38 units (31 March 2022: Nil units) in HDFC Ultra Short Term Fund - Regular Growth	80.28	-
46,703.26 units (31 March 2022: Nil units) in Nippon India Money Market Fund - Growth	164.05	-
Nil units (31 March 2022: 366,439.10 units) in SBI Arbitrage Opportunities Fund - Regular Plan - Growth	-	10.00
Nil units (31 March 2022: 3,096,338.10 units) in Axis Arbitrage Fund - Direct Growth	-	50.12
27,913.51 units (31 March 2022: Nil units) in Kotak Money Market Fund - Regular Plan - Growth	106.16	-
Aggregate amount of unquoted investment and market value, thereof	**955.13**	**784.42**

(a) During the year ended 31 March 2022, the Company had entered into an agreement with Exotech Plastics Private Limited ("Exotech") and existing shareholders of Exotech to acquire the entire equity shares. Exotech is engaged in the business of manufacturing and supply of automobile components and other components. The Company has paid ₹ 640.00 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Company, effective from 5 April 2021.

(b) During the year ended 31 March 2023, the Company has entered into a Power Supply and Offtake Agreement ("PSOA") and Share Subscription and Shareholders' Agreement ("SSSHA") with Suryaurja Two Private Limited (''STPL"), and acquired 6,00,000 Equity Shares of STPL for a consideration of ₹ 6 million . STPL is engaged in the business of power generation from renewable sources for captive consumption. The investment is made in order to qualify as a captive consumer in accordance with The Electricity Act, 2003.

*Information about the Company's exposure to credit and market risks, and fair value measurement is included in note 33 and note 34.

Notes to the standalone financial statements

6. Loans
Carried at amortised cost

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Loan to related party [refer Note 36 and 43]	80.00	20.00
	80.00	**20.00**
Current		
Unsecured, considered good		
Loans to employees	2.97	2.52
	2.97	**2.52**

7. Other financial assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Security deposit	9.14	9.15
Interest accrued but not due [refer Note 36]	2.95	0.12
Margin money deposits*	0.10	0.10
ESOP expenses receivable [refer note 36]	1.68	-
Total	**13.87**	**9.37**
Current		
Unsecured, considered good		
Security deposit**	0.35	30.35
Interest accrued on fixed deposit	9.32	0.55
Export incentives receivables	0.30	0.85
IPO Expenses Receivables [refer Note 36]	-	11.45
Expense reimbursable receivable [refer Note 36]	47.91	-
Total	**57.88**	**43.20**

* Margin money provided as guarantee for Gurgaon Warehouse to Value Added Tax and Central Sales Tax Department.

** Includes a deposit of Nil as on 31 March 2023 (₹30.00 million as on 31 March 2022) to National Stock Exchange of India Limited on account of initial public offerings.

8. Income tax assets and liabilities (net)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non - current		
Advance tax and tax deducted at source, net of provision for tax	-	18.46
Current		
Income tax liabilities, net of tax assets	5.26	47.40

a) **The gross movement in the income tax (liability) / asset for the year ended 31 March 2022 and 31 March 2023 is as follows:**

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net income tax (liability) / asset at the beginning of the year	(28.94)	(20.85)
Current income tax expense	(195.48)	(180.12)
Income tax paid (including interest)	219.15	172.03
Others	0.01	-
Net income tax liability at the end of the year	**(5.26)**	**(28.94)**

9. Other assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non - current		
Unsecured, considered good		
Capital advances	34.52	20.72
Other advances		
- Prepaid gratuity [refer Note 40]	-	11.50
Prepaid expenses	0.81	0.66
Contract acquisition costs	13.61	9.58
Receivables from government authorities [refer Note (a) below]	10.57	10.57
	59.51	**53.03**
Unsecured, considered doubtful		
Indirect tax paid under protest	3.00	3.00
Less: Provision	(3.00)	(3.00)
	-	**-**
Receivables from government authorities	4.84	4.84
Less: Provision [refer Note (a) below]	(4.84)	(4.84)
	-	**-**
Total	**59.51**	**53.03**
Current		
Unsecured, considered good		
Balances with government authorities	2.50	22.40
Prepaid expenses	6.02	5.83
Contract acquisition costs	5.84	6.21
Advance to suppliers	16.67	8.87
Other advances		
- Prepaid compensated absences (refer Note 40)	-	2.25
Others	0.27	0.46
Total	**31.30**	**46.02**

a) Bangalore Metro Rail Corporation Limited (BMRCL) has acquired a portion of the freehold land for an agreed compensation of ₹15.41 million (including tax deducted at source). On the above land, one of the female legal heirs of the erstwhile owner of the freehold land has raised an allegation for separate possession of certain portion of the freehold land.

On account of the dispute, the acquisition compensation amount has been deposited by BMRCL in the Court till the final settlement. During the year ended 31 March 2021, the Company had made a provision of ₹ 4.84 million primarily towards the female legal heir share of claim. The matter is currently pending in the court for further hearing.

Notes to the standalone financial statements

10. Inventories (Valued at lower of cost or net realizable value)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials [refer Note (a) and (b) below]	141.68	140.17
Work-in-progress	35.37	30.20
Finished goods [refer Note (b) below]	136.88	102.85
Stores and spares	5.92	6.45
Total	**319.85**	**279.67**

(a) Including goods in transit as on 31 March 2023 ₹17.10 million (31 March 2022 : ₹17.86 million).

(b) Value of inventories above is stated after provisions ₹59.89 million (31 March 2021 : ₹56.22 million) for write-downs to net realisable value and provision for slow-moving and obsolete items.

11. Trade receivables

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured and Undisputed		
Considered good	551.53	587.65
Less: Provision for impairment allowance	(0.42)	(0.66)
Net trade receivables	**551.11**	**586.99**

(i) The Company's exposure to credit and currency risk and loss allowances related to trade receivables has been disclosed in Note 34.

(ii) Trade receivables include due from companies in which any director of the Company is a director or member [Refer note 36]

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Private companies in which any director of the Company is a director or member		
Exotech Plastics Private Limited	5.08	0.27

(iii) Ageing for trade receivables:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
31 March 2023							
i) Undisputed trade receivable - considered good	470.10	79.72	1.71	-	-	-	**551.53**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-

Notes to the standalone financial statements

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**470.10**	**79.72**	**1.71**	**-**	-	-	**551.53**
31 March 2022							
i) Undisputed trade receivable - considered good	502.84	84.47	0.34	-	-	-	**587.65**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**502.84**	**84.47**	**0.34**	**-**	**-**	**-**	**587.65**

(iv) There are no unbilled trade receivables as on each reporting date.

12. Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- in current accounts	39.58	30.72
- in Exchange earner's foreign currency accounts	13.67	13.84
- Deposits with original maturity of less than 3 months	3.40	3.40
Cash in hand	0.30	0.16
Total	**56.95**	**48.12**

13. Bank balance other than cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Other bank balances		
In deposit accounts (with original maturity of more than 3 months and less than 12 months)*	203.06	50.98
Total	**203.06**	**50.98**

* Includes a deposit of Nil as on 31 March 2023 (₹50 million as on 31 March 2022) provided to bank against bank guarantee.

Notes to the standalone financial statements

14. Equity share capital

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
Equity shares		
35,000,000 (31 March 2022: 35,000,000) equity shares of ₹10 each	350.00	350.00
Total	**350.00**	**350.00**

Issued, subscribed and fully paid-up shares

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Equity share		
30,437,904 (31 March 2022 : 30,437,904) equity shares of ₹10 each, fully paid up	304.38	304.38
Total	**304.38**	**304.38**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

(₹ in million)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	30,437,904	304.38	30,437,904	304.38
Issued during the year	-	-	-	-
At the end of the year	**30,437,904**	**304.38**	**30,437,904**	**304.38**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) During the year ended 31 March 2022, the Company had completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹10 each at a price of ₹542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company had listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

(d) Details of shareholders holding more than 5% shares of a class of shares in the Company: -

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of ₹10 each fully paid up held by:				
Evergraph Holdings Pte. Limited	10,600,370	34.83%	10,600,370	34.83%
K. A. Joseph	4,651,244	15.28%	4,651,244	15.28%
Axis Mutual Fund	1,377,351	4.53%	2,156,994	7.09%

(e) The Company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash or by way of bonus shares nor bought back any shares for the period of five years immediately preceding 31 March 2023.

(f) Details of shareholdings by the Promoter's of the Company: -

Particulars	As at 31 March 2023		As at 31 March 2022		
	Number of shares	% holding in the class	Number of shares	% holding in the class	% Change in the year
Equity shares of ₹10 each fully paid up held by:					
Evergraph Holdings Pte. Ltd.	10,600,370	34.83%	10,600,370	34.83%	0.00%
K. A. Joseph	4,651,244	15.28%	4,651,244	15.28%	0.00%

15. Other Equity

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium account [refer Note (a) below]	39.41	39.41
Retained earnings [refer Note (b) below]	3,800.39	3,212.53
General reserve [refer Note (c)] below]	8.85	8.85
Share option outstanding account [refer Note 39 and refer Note (d) below]	38.83	13.95
Other comprehensive income [refer Note (e) below]	(10.51)	(3.68)
Total	**3,876.97**	**3,271.06**

Nature and purpose of other reserves

a) Securities premium account:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve can be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	39.41	39.41
Increase during the year	-	-
Closing balance	**39.41**	**39.41**

b) Retained earnings:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	3,212.53	2,805.02
Profit for the year	587.86	518.61
Dividend paid	-	(111.10)
Closing balance	**3,800.39**	**3,212.53**

During the year ended 31 March 2023, the Company has not declared or paid any dividend. During the year 31 March 2022, the Board of Directors of the Company at their meeting held on 9 April 2021 and 24 September 2021 respectively have declared and paid an interim dividend of ₹1.65 per equity share and ₹2.00 per equity share respectively (face value of ₹10.00 each) aggregating to ₹111.10 million.

Notes to the standalone financial statements

c) General reserve:

This represents appropriation of profit by the Company. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	8.85	8.85
Increase during the year	-	-
Closing balance	**8.85**	**8.85**

d) Share option outstanding account:

The Company has share option schemes under which options to subscribe for the Company's shares have been granted to employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of employee benefit expense.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**13.95**	**-**
Increase during the year [refer Note 39]	24.88	13.95
Closing balance	**38.83**	**13.95**

e) Other comprehensive income:

Differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' as other comprehensive income net of taxes.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurement of net defined benefit liability or asset		
Opening balance	(3.68)	(5.50)
Increase during the year	(6.83)	1.82
Closing balance	**(10.51)**	**(3.68)**

16. Deferred tax liabilities (net)*

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment and intangible assets	118.07	125.54
Contract acquisition cost	4.90	3.97
Prepaid gratuity	-	2.89
Prepaid compensated absences	-	0.57
Others	4.28	1.09
Total deferred tax liabilities (A)	**127.25**	**134.06**

Notes to the standalone financial statements

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets		
Provision for inventory obsolescence	15.07	14.15
Provision for compensated absences	0.28	-
Provision for gratuity	0.79	-
Discount payable and provision for sales returns and claim	19.37	20.56
Provision for bonus	-	5.37
Lease liability	0.02	0.02
Loss allowances on financial assets, net	0.11	0.17
Others	1.97	5.48
Total deferred tax assets (B)	**37.61**	**45.75**
Net deferred tax liabilities (A-B)	**89.64**	**88.31**

*Refer Note 31(d)

17. Borrowings

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Secured loan		
Loan from bank repayable on demand		
Working capital demand loan [refer Note (b) below]	120.00	-
Unsecured loan		
From bank		
Bill discounting facility from bank [refer Note (a) below]	71.14	76.97
Total current borrowings	**191.14**	**76.97**

(a) The Company has availed bill discounting facility (with recourse) from State Bank of India which carries interest in the range of 6.48% to 10.11% per annum (31 March 2022: 5.95% to 6.75% per annum) and is payable within 45 days from the date of discounting of bills.

(b) The Company has availed woking capital demand loan from Citi Bank which carries interest of 1 month treasury bill + 175 basis points per annum (31 March 2022: Nil).

(c) Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

Notes to the standalone financial statements

(d) The Company is filing monthly statement of inventories and trade receivables for cash credit facility and working capital demand loan. The below is summary of quarterly reconciliation of statement filed to the banks and books of accounts :

For the period 1 April 2022 to 31 March 2023 (₹ in million)

Name of bank	Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Citi Bank	31 March 2023	Inventory	319.85	319.85	-	-
		Trade receivables	551.11	550.99	0.12	No material variance
Citi Bank	31 December 2022	Inventory	341.52	341.52	-	-
		Trade receivables	500.74	500.74	-	-
Citi Bank	30 September 2022	Inventory	347.67	347.63	0.04	No material variance
		Trade receivables	635.76	635.45	0.31	No material variance
Citi Bank	30 June 2022	Inventory	315.89	315.89	0.00	-
		Trade receivables	609.82	609.44	0.38	No material variance

For the period 1 April 2021 to 31 March 2022 (₹ in million)

Name of bank	Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Citi Bank and State Bank of India	31 March 2022	Inventory	279.67	279.69	(0.02)	No material variance.
		Trade receivables	586.99	591.95	(4.96)	The variance is due to details submitted to bank prior to year end.
Citi Bank and State Bank of India	31 December 2021	Inventory	304.81	304.81	-	No variance.
		Trade receivables	466.96	463.67	3.29	Advance from customer was netted off while submitting the return to bank.
Citi Bank	30 September 2021	Inventory	317.05	347.90	(30.85)	The variance is due to certain inventories reported twice.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
State Bank of India	30 September 2021	Inventory	317.05	317.05	-	No variance.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
Citi Bank and State Bank of India	30 June 2021	Inventory	327.38	325.09	2.29	The variance is on account of tool stock not included.
		Trade receivables	456.49	452.81	3.68	Advance from customer was netted off while submitting the return to bank.

Notes to the standalone financial statements

18. Trade payables

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises [refer Note (ii) below]	102.67	65.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	101.83	77.26
Total	**204.50**	**143.01**

Terms and conditions of above trade payables:

(i) For explanation of Company's credit risk management - refer Note 34

(ii) Disclosure required under section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal	102.25	65.33
- Interest	0.42	0.42
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	-	112.29
- Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.42	0.42
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors / suppliers.

Notes to the standalone financial statements

(iii) Ageing for trade payables:

(₹ in million)

Particulars	Accrued expenses	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2023							
Micro enterprises and small enterprises	-	102.25	-	0.42	-	-	**102.67**
Creditors other than micro enterprises and small enterprises		79.02	6.87	0.52	-	-	**101.83**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**15.42**	**181.27**	**6.87**	**0.94**	**-**	**-**	**204.50**
31 March 2022							
Micro enterprises and small enterprises	-	64.67	1.08	-	-	-	**65.75**
Creditors other than micro enterprises and small enterprises	8.21	67.73	1.32	-	-	-	**77.26**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**8.21**	**132.40**	**2.40**	**-**	**-**	**-**	**143.01**

19. Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Others		
Employee related liabilities	56.04	33.93
Capital creditors	4.53	9.09
Discount Payable	73.25	77.13
IPO Expenses payable [refer Note 36]	-	38.21
Total	**133.82**	**158.36**

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

Notes to the standalone financial statements

20. Other liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Statutory liabilities	69.21	16.06
Advance from customers	1.57	1.38
Total	**70.78**	**17.44**

21. Provisions

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Provision for gratuity [refer Note 40]	3.12	-
Provision for compensated absence	1.11	-
Provision for sales return*	3.69	4.56
Total	**7.92**	**4.56**

*This represents provision made for expected sales returns and claim by the customers. Revenue is adjusted for the expected value of return and claims. It is expected to be utilised within 12 months from the end of the year. The provision is based on estimates made of historical data.

Movement in other provisions for the year ended 31 March 2023

(₹ in million)

Particulars	As at 01 April 2022	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2023
Provision for sales return	4.56	3.69	(4.05)	(0.51)	3.69
	4.56	**3.69**	**(4.05)**	**(0.51)**	**3.69**

Movement in other provisions for the year ended 31 March 2022

(₹ in million)

Particulars	As at 01 April 2021	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2022
Provision for claim	2.21	-	(1.87)	(0.34)	-
Provision for sales return	10.41	4.56	(4.65)	(5.76)	4.56
Total	**12.62**	**4.56**	**(6.52)**	**(6.10)**	**4.56**

Notes to the standalone financial statements

22. Leases

The Company has recognised right-of-use assets and lease liabilities as below:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Right of use assets – land	76.68	77.04
Lease liabilities		
Non-current	0.07	0.08
Current	0.02	-

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at date of commencement of lease. The weighted-average rate considered is 8.30% p.a.

Right-of-use assets: The details of the right-of-use asset held by the Company is as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	77.04	77.40
Depreciation charge for the year	(0.36)	(0.36)
Closing balance	**76.68**	**77.04**

Lease liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	0.08	0.11
Interest on lease liabilities	0.01	0.01
Payment of lease liabilities	-	(0.04)
Closing balance	**0.09**	**0.08**

Carrying amount of lease liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities - current	0.02	-
Lease liabilities - non current	0.07	0.08
Total	**0.09**	**0.08**

The Company has certain warehouse and guest house on lease with contract terms of less than one year. These leases are classified as short-term. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes to the standalone financial statements

Amounts recognised in statement of profit and loss:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	0.01	0.01
Depreciation of right of use assets	0.36	0.36
Expenses relating to short-term leases	4.75	3.91
Total	**5.12**	**4.28**

Amounts recognised in statement of cashflows:

During the year, the Company had no cash inflow / outflow related for right-of-use asset.

During the year, for lease including cash outflow of short-term leases, the Company had a cash outflow of ₹4.75 million (31 March 2022: ₹3.91 million).

The table below provides details regarding the undiscounted contractual maturities of lease liabilities as at 31 March 2023 and 31 March 2022.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	0.02	0.01
one to five years	0.03	0.03
More than five years	0.40	0.41
Total	**0.45**	**0.45**

23. Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers		
Sale of products	2,941.07	2,644.63
Sale of services	12.56	26.65
Other operating revenues:		
Export incentive benefit	3.56	2.56
Scrap sales	4.73	5.01
Revenue from operations	**2,961.92**	**2,678.85**

Notes to the standalone financial statements

(a) Disaggregate revenue information

(i) Disaggregation by Primary geographical markets

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Exports:		
Sale of products	309.18	452.15
Sale of services	5.90	13.37
Domestic:		
Sale of products	2,631.89	2,192.47
Sale of services	6.66	13.29
Total	**2,953.63**	**2,671.28**

(ii) Disaggregation by timing of revenue recognition

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers		
Goods or services transferred at point in time	2,953.63	2,671.28
Goods or service transferred over time	-	-
Other operating revenues:		
Goods or services transferred at point in time	8.29	7.57
Goods or service transferred over time	-	-
Total	**2,961.92**	**2,678.85**

(b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contract price	2,982.12	2,662.10
Addition / Reduction towards discount (net)	(11.08)	1.60
Adjustment / Reduction towards sales return (net)	(29.97)	(19.07)
Revenue from contract with customers	**2,941.07**	**2,644.63**

(c) Contract balances

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	551.11	586.99
Advance from customers	(1.57)	(1.38)

Notes to the standalone financial statements

24. Other Income

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
on deposits with bank	2.62	13.47
on others	22.94	0.42
Other non-operating income		
Gain on current investment measured at fair value through profit or loss	17.28	4.33
Gain on sale of current investments measured at fair value through profit or loss, net	27.35	4.76
Net gain on foreign currency transactions	14.96	10.28
Miscellaneous income	0.12	0.90
Total	**85.27**	**34.16**

25. Cost of material consumed

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of materials at the beginning of the year#	140.17	172.35
Add: Purchases during the year*	1,138.22	959.83
Less: Inventory of materials at the end of the year#	141.68	140.17
Total	**1,136.71**	**992.01**

Net of provision for obsolescence
* Purchase includes tooling costs

26. Changes in inventory of finished goods, work-in-progress and stores and spares

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock		
Finished goods	102.85	101.96
Stores and spares	6.45	6.28
Work-in-progress	30.20	51.76
	139.50	**160.00**
Closing Stock		
Finished goods	136.88	102.85
Stores and spares	5.92	6.45
Work-in-progress	35.37	30.20
	178.17	**139.50**
Changes in inventory of finished goods, work-in-progress and stores and spares	**(38.67)**	**20.50**

Notes to the standalone financial statements

27. Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	360.52	328.77
Expenses related to post-employment benefit plans-gratuity [refer Note 40]	10.50	8.62
Expenses related to compensated absences	6.37	4.85
Contribution to provident fund and other fund	13.85	12.89
Share based payments [refer Note 39]	23.20	13.95
Staff welfare expenses	38.86	40.04
Total	**453.30**	**409.12**

28. Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on:		
Short term borrowings from banks	6.71	4.83
Lease liabilities	0.01	0.01
Total	**6.72**	**4.84**

29. Depreciation and amortization expense

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment [refer Note 3]	155.85	145.42
Amortization of intangible assets [refer Note 4]	7.84	8.35
Depreciation of right of use assets [refer Note 22]	0.36	0.36
Total	**164.05**	**154.13**

Notes to the standalone financial statements

30. Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Subcontracting charges	246.55	175.00
Power and fuel	60.42	59.50
Freight charges	48.94	44.00
Repairs and maintenance		
- plant and machinery	41.28	34.23
- building	2.54	5.39
- others	9.52	7.79
Rent	4.75	3.91
Legal and professional [refer Note (a) below]	31.82	24.80
Rates and taxes	11.64	8.22
Travel and conveyance	18.98	14.79
Housekeeping charges	19.87	19.29
Corporate social responsibility [refer Note 37]	12.88	11.79
Sales promotion expenses	6.32	3.75
Insurance	8.14	8.31
Printing and stationery	5.88	4.57
Bank charges	2.16	4.08
Communication	1.91	1.78
Loss on sale and write off of property, plant and equipment, net	1.46	3.36
Bad debts written-off	0.29	0.92
Loss allowances on financial assets, net	(0.24)	(0.61)
Provision for doubtful advances and receivables	-	-
Donation	0.24	0.08
Miscellaneous expenses	2.77	2.95
Total	**538.12**	**437.90**

(a) Payment to auditors (excluding applicable taxes):

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Audit fee	8.15	7.50
Tax audit fee	0.20	0.20
Audit related services	-	3.50
Reimbursement of expenses	0.87	0.53
Total	**9.22**	**11.73**

Notes to the standalone financial statements

31. Tax expenses

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Amount recognised in the statement of profit and loss		
Current tax	195.48	180.12
Deferred tax charge / (credit)	3.62	(4.22)
Income tax expense reported in the statement of profit and loss	**199.10**	**175.90**
b) Income tax recognised in other comprehensive income		
On re-measurement of defined benefit obligation	2.29	(0.61)
Income tax charges / (credited) to OCI	**2.29**	**(0.61)**
c) Reconciliation of tax expense and tax based on accounting profit:		
Accounting profit before income tax expense	-	-
Tax at the company's domestic tax rate of 25.17% (31 March 2022: 25.17%)	-	(0.02)
Tax effect of:		
Expenditure for which deduction is not allowed under Income Tax Act,1961	3.24	3.08
Tax effect on donation	0.06	0.02
Lower tax rate on capital gains	(0.18)	-
Other deductions	(2.08)	(1.99)
Income tax expense	**1.04**	**1.09**

d) Deferred tax

For the year ended 31 March 2023

(₹ in million)

Particulars	As at 1 April 2022	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2023
Deferred tax liabilities				
Property, plant and equipment and intangible assets	125.54	-	(7.46)	118.08
Prepaid expense	3.97	-	0.92	4.89
Prepaid gratuity	2.89	-	(2.89)	-
Prepaid compensated absences	0.57	-	(0.57)	-
Others	1.09	-	3.19	4.28
Total deferred tax liabilities (A)	**134.06**	**-**	**(6.81)**	**127.25**
Deferred tax assets				
Provision for inventory obsolescence	14.15	-	0.92	15.07
Discount payable and provision for sales returns and claim	20.56	-	(1.19)	19.37
Provision for bonus	5.37	-	(5.37)	-
Provision for gratuity	-	2.29	(1.50)	0.79
Provision for compensated absences	-		0.28	0.28
Lease liability	0.02	-	-	0.02
Loss allowances on financial assets, net	0.17	-	(0.06)	0.11
Others	5.48	-	(3.51)	1.97
Total deferred tax assets (B)	**45.75**	**2.29**	**(10.43)**	**37.61**
Net deferred tax liabilities (A-B)	**88.31**	**(2.29)**	**3.62**	**89.64**

Notes to the standalone financial statements

For the year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax liabilities				
Property, plant and equipment and intangible assets	130.53	-	(4.99)	125.54
Prepaid expense	3.47	-	0.50	3.97
Prepaid gratuity	2.44	0.61	(0.16)	2.89
Prepaid compensated absences	0.50	-	0.07	0.57
Others	2.37	-	(1.28)	1.09
Total deferred tax liabilities (A)	**139.31**	**0.61**	**(5.86)**	**134.06**
Deferred tax assets				
Provision for inventory obsolescence	10.73	-	3.42	14.15
Discount payable and provision for sales returns and claim	30.53	-	(9.97)	20.56
Provision for bonus	3.84	-	1.53	5.37
Lease liability	-	-	0.02	0.02
Loss allowances on financial assets, net	0.32	-	(0.15)	0.17
Others	1.97		3.51	5.48
Total deferred tax asset (B)	**47.39**	**-**	**(1.64)**	**45.75**
Net deferred tax liabilities (A-B)	**91.92**	**0.61**	**(4.22)**	**88.31**

The Company has elected to exercise the option of lower tax rate permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

32. Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million, except per equity share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Reconciliation of earnings		
Basic EPS		
Profit after tax attributable to equity holders of the Company (a)	587.86	518.61
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904	30,437,904
Basic Earning per share (in ₹) (a/b)	19.31	17.04
Diluted EPS		
Profit after tax attributable to equity holders of the Company for diluted EPS (c)	587.86	518.61
Weighted average number of shares outstanding during the year for diluted EPS (d)	30,841,334	30,729,866
Diluted Earning per share (in ₹) (c/d)	19.06	16.88
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904	30,437,904
Add: Potential equity shares on employee's stock option	403,430	291,962
Total Weighted average number of shares outstanding during the year for diluted EPS (d)	30,841,334	30,729,866

Notes to the standalone financial statements

33. Financial instruments - fair values and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2023:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2023	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	82.97	-	-	-	-
Trade receivables	551.11	-	-	-	-
Cash and cash equivalents	56.95	-	-	-	-
Bank balance other than cash and cash equivalents	203.06	-	-	-	-
Other financial assets (non-current and current)*	71.75	-	-	-	-
Investment in bonds, commercial papers and others	426.57	-	-	-	-
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	955.13	-	955.13	-	955.13
Total financial assets	**2,347.54**	**-**	**955.13**	**-**	**955.13**
Financial liabilities measured at amortised cost					
Lease liabilities	0.09	-	-	-	-
Borrowings	191.14	-	-	-	-
Trade payables	204.50	-	-	-	-
Other financial liabilities (non-current and current)	133.82	-	-	-	-
Total financial liabilities	**529.55**	**-**	**-**	**-**	**-**

*Investment in equity shares of subsidiary are not appearing as financial asset in the table above being investment in subsidiary accounted under Ind AS 27, separate Financial Statements which is scoped out under Ind AS 109 "Financial Instruments".

*Investment in equity shares of associate enterprise is not appearing as financial asset in the table above being investment in associates accounted under Ind AS 28, which is scoped out under Ind AS 109 "Financial Instruments".

Notes to the standalone financial statements

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2022:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2022	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	22.52	-	-	-	-
Trade receivables	586.99	-	-	-	-
Cash and cash equivalents	48.12	-	-	-	-
Bank balance other than cash and cash equivalents	50.98	-	-	-	-
Other financial assets (non-current and current)	52.57	-	-	-	-
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	784.42	-	784.42	-	784.42
Total financial assets	**1,545.60**	**-**	**784.42**	**-**	**784.42**
Financial liabilities measured at amortised cost					
Lease liabilities	0.08	-	-	-	-
Current borrowings	76.97	-	-	-	-
Trade payables	143.01	-	-	-	-
Other financial liabilities (non-current and current)	158.36	-	-	-	-
Total financial liabilities	**378.42**	**-**	**-**	**-**	**-**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement at the reporting date.

Financial assets:

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

Notes to the standalone financial statements

Current investments: Fair value of unquoted mutual funds units are based on the Net Asset Value (NAV) as at the reporting date.

Financial liabilities:
Borrowing: It includes cash credit , working capital loans and bill discounting facilities (current borrowings). Current borrowings are classified and subsequently measured in the standalone financial statements at amortised cost. Considering that the interest rate on short term borrowings is reset on a periodic basis, the carrying amount of the current borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value, as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values.

34. Financial Risk Management

The Company's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

Risk management
The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. 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 responsibilities.

The Company's Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures and reviews the adequecy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assissted in its oversite role by the internal auditor.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables
The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer.

Expected credit loss assessment for trade receivables as at 31 March 2023 and 31 March 2022 are as follows:
The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2023 amounting to ₹551.11 million (31 March 2022: ₹586.99 million). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	0.66	1.27
Net measurement of loss allowance	(0.24)	(0.61)
Balance as at the end of the year	**0.42**	**0.66**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

(₹ in million)

As at 31 March 2023	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	470.10	0.02%	0.09
0-90 days	70.66	0.13%	0.09
91-180 days	9.06	1.33%	0.12
181-270 days	1.54	5.24%	0.08
271-365 days	0.17	21.69%	0.04
> 365 days	-	100.00%	-
Balance as at the end of the year	**551.53**		**0.42**

(₹ in million)

As at 31 March 2022	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	502.84	0.05%	0.23
0-90 days	79.78	0.28%	0.22
91-180 days	4.69	3.20%	0.15
181-270 days	0.22	9.09%	0.02
271-365 days	0.12	33.33%	0.04
> 365 days	-	100.00%	-
Balance as at the end of the year	**587.65**		**0.66**

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. 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 monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Company.

In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the standalone financial statements

Financing arrangement:

The Company maintains the following line of credit:

(i) The Company has availed bill discounting facility (with recourse) from banks which carries interest in the range of 6.48% p.a. to 10.11% p.a. (31 March 2022: 5.95% p.a. to 6.75% p.a.) and is payable within 45 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements:

As at 31 March 2023

(₹ in million)

Particulars		Contractual cash flows			
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	191.14	191.14	191.14	-	-
Lease liabilities	0.09	0.45	0.02	0.02	0.41
Trade payables	204.50	204.50	204.50	-	-
Other financial liabilities	133.82	133.82	133.82	-	-
Total	**529.55**	**529.91**	**529.48**	**0.02**	**0.41**

As at 31 March 2022

(₹ in million)

Particulars		Contractual cash flows			
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	76.97	76.97	76.97	-	-
Lease liabilities	0.08	0.46	0.01	0.02	0.43
Trade payables	143.01	143.01	143.01	-	-
Other financial liabilities	158.36	158.36	158.36	-	-
Total	**378.42**	**378.80**	**378.35**	**0.02**	**0.43**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk as discussed below:

A) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR, JPY etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Notes to the standalone financial statements

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables	USD	1.10	90.79	1.83	139.04
Trade payables	USD	0.34	28.01	-	-
	EURO	0.02	2.23	-	-
	JPY	5.23	3.24	-	-
Bank accounts - EEFC	USD	0.17	13.61	0.18	13.71
	EURO*	-	0.06	-	0.13
Creditors for capital goods	USD	-	-	0.08	6.35

* The amount's are less than €0.01 million and hence disclosed as (-)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO and JPY against INR at 31 March 2023 and 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	0.76	(0.76)	0.57	(0.57)
EURO (1% movement)	(0.02)	0.02	(0.02)	0.02
JPY (1% movement)	0.03	(0.03)	0.02	(0.02)
31 March 2022				
USD (1% movement)	1.46	(1.46)	1.09	(1.09)
EURO (1% movement)*	-	-	-	-
JPY (1% movement)	-	-	-	-

* The amount's are less than ₹0.01 million and hence disclosed as (-)

Notes to the standalone financial statements

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings comprises of bill discounting which carries variable rate of interest, which expose it to interest rate risk.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	191.14	76.97

Sensitivity analysis (₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	25 basis points Increase	25 basis points Decrease	25 basis points Increase	25 basis points Decrease
31 March 2023				
Variable rate borrowings	0.48	(0.48)	0.36	(0.36)
31 March 2022				
Variable rate borrowings	0.19	(0.19)	0.14	(0.14)

35. Capital management

The Company's policy is to maintain stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitor's the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to equity'. For the purpose of Company's capital management, adjusted net debt is defined as short-term borrowings less cash and cash equivalent, bank balance other than cash and cash equivalents and current investments and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt equity ratio are as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings	191.14	76.97
Less : Cash and cash equivalent and other bank balances	260.01	99.10
Less : Current investments	1,351.03	784.42
Adjusted net debt	**(1,419.90)**	**(806.55)**
Total equity	4,181.35	3,575.44
Net Debt to Equity Ratio	-	-

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

Notes to the standalone financial statements

36. Related Party Disclosure

(i) Name of related parties and description of relationship:

Holding company	Evergraph Holdings Pte. Limited (till 14 November 2021)*
Entity having a significant influence	Evergraph Holdings Pte. Limited (w.e.f. 15 November 2021)
Subsidiary Company	Exotech Plastics Private Limited (w.e.f. 5 April 2021)
Associate Company	Suryaurja Two Private Limited (w.e.f. 13 April 2022)
Key management personnel (KMP)	1. Mr. K. A. Joseph (Managing Director and Shareholder)
	2. Mr. Sanjay Thapar (Executive Director, CEO and Shareholder)
	3. Mr. Kazi Arif Uz Zaman (Director)
	4. Mr. Vishal Sharma (Director) (w.e.f. 5 April 2021)
	5. Mr. Kevin Joseph (Director) (w.e.f. 19 July 2021)
	6. Mr. Amit Kumar Garg (Chief Financial Officer) (w.e.f. 4 May 2021 and till 4 March 2022)
	7. Mr. Mahendra Kumar Naredi (Chief Financial Officer) (w.e.f. 4 August 2022)
	8. Mr. Thabraz Hushain. W (Company secretary and compliance officer)
	9. Mr. Ramesh C Jain (Independent director) (w.e.f 06 July 2021)
	10. Mrs. Veni Thapar (Independent director) (w.e.f 12 July 2021)
	11. Mr. Mathias Frenzel (Independent director) (w.e.f 06 July 2021)
Transaction with the parties in which directors are interested	1. Sanders Consulting Private Limited (Shareholder)
Relative of key management personnel	1. Mrs. Daisy Joseph (Wife of Mr. K. A. Joseph)
	2. Ms. Nikita Joseph (Daughter of Mr. K. A. Joseph)

* During the year ended 31 March 2022, the Company had completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹10 each at a price of ₹542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company had listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

(ii) The following table is the summary of significant transactions with related parties by the Company:

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Evergraph Holdings Pte. Limited	Interim dividend paid*	-	86.51
Mr. K.A. Joseph	Interim dividend paid*	-	23.04
Mrs. Daisy Joseph	Interim dividend paid*	-	0.29
Sanders Consulting Private Limited	Interim dividend paid*	-	1.26
Mr. Kevin K Joseph	Interim dividend paid*#	-	-
Ms. Nikita Joseph	Interim dividend paid*#	-	-
Mr. Sanjay Thapar	Interim dividend paid*#	-	-
Exotech Plastics Private Limited	Inter-corporate loan given	60.00	20.00
Exotech Plastics Private Limited	Sale of goods	14.60	0.53
Exotech Plastics Private Limited	Purchase of goods	4.07	-
Exotech Plastics Private Limited	Sale of property, plant and equipment	-	0.37
Exotech Plastics Private Limited	Interest income*	3.14	0.14
Exotech Plastics Private Limited	Expenses incurred on behalf of	3.18	0.06
Exotech Plastics Private Limited	Expenses towards share based payments	1.68	-
Evergraph Holdings Pte. Limited	IPO expenses incurred on behalf of	-	291.33
Mr. K. A. Joseph	IPO expenses incurred on behalf of	-	39.47
Evergraph Holdings Pte. Limited	Expenses incurred on behalf of	47.91	-
Ramesh C Jain	Directors Sitting fees	1.08	1.55
Veni Thapar	Directors Sitting fees	1.50	1.15
Mathias Frenzel	Directors Sitting fees	0.72	1.78

* Gross of Tax Deducted at Source

The amount's are less than 10.01 million and hence disclosed as (-)

Notes to the standalone financial statements

(iii) Compensation of Key Management Personnel ('KMP')*

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Mr. K.A. Joseph	26.56	26.53
Mr. Sanjay Thapar	34.66	26.53
Mr. Kevin K Joseph	1.20	0.84
Mr. Amit Kumar Garg	-	5.47
Mr Mahendra Kumar Naredi	5.50	-
Mr. Thabraz Hushain. W	1.45	1.34

*As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

Terms and conditions

All transactions with these related parties are at arm's length basis.

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

(₹ in million)

Particulars	Type of transaction	As at 31 March 2023	As at 31 March 2022
Exotech Plastics Private Limited	Inter-corporate loan	80.00	20.00
Exotech Plastics Private Limited	Trade receivable	5.08	0.27
Exotech Plastics Private Limited	Interest receivable	2.95	0.12
Exotech Plastics Private Limited	Trade payable	0.57	-
Exotech Plastics Private Limited	Expenses towards share based payments	1.68	-
Evergraph Holdings Pte. Ltd.	IPO expenses recoverable*	-	1.86
K. A. Joseph	IPO expenses recoverable*	-	9.59
Evergraph Holdings Pte. Ltd.	Expense reimbursable receivable	47.91	-

*The management of the Company, vide its board resolution dated 30 June 2021, passed a resolution to list the Company through "offer for sale of securities by certain shareholders". In accordance with this plan, the Company had filed its Draft Red Herring Prospectus (DRHP) on 28 July 2021. Subsequently, the Company got listed on NSE and BSE on 15 November 2021.

As per the arrangement with the Selling Shareholders, the expense related to "offer for sale" is agreed to be borne by the respective Shareholders in their selling shares ratio. Accordingly, the entire expenses incurred was recorded as a receivable (no charge to the statement of profit and loss).

Notes to the standalone financial statements

37. Corporate Social Responsibility ('CSR') expenditure

Details of CSR expenditure are as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Amount required to be spent by the Company during the year	12.88	11.77
Amount spent during the year		
- construction / acquisition of any asset	2.38	2.96
- on purpose other than above	10.50	8.83
Shortfall at the end of the year	-	-
Amount spent on account of previous year shortfall		
- construction/ acquisition of any asset	-	-
- on purpose other than above	-	2.17
Total of previous years shortfall	-	-
Transaction with the related party	Nil	Nil
Movements in provisions	NA	NA
Nature of CSR activity	Promoting education, Sports, Save drinking water, Healthcare, Sanitation, Rural development and Eracading hunger	

38. Commitments and Contingent Liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Capital Commitments		
Estimated amounts of contracts remaining to executed on capital account and not provided for	1.48	7.18
ii) Contingent liabilities		
Guarantee deposits with banks	0.10	0.10
Claim towards freehold land [refer Note (a) below]	20.40	20.40
iii) Other claims against the Company not acknowledged as debts		
Income tax matters [refer Notes (b) below]	17.11	-

(a) The Company had purchased a freehold land of 37 guntas consisting of Schedule A (19 guntas) and Schedule B (17 guntas) in the year 2001. On transition to Ind AS, the Company has elected to fair value the freehold land as deemed cost at ₹278.10 million. The Company is in legal dispute with one of the female legal heir of the erstwhile owner of the freehold land for separate possession of 1/7 share of Schedule A of the freehold land. The above amount of ₹20.40 million has been arrived at basis 1/7 share of fair value of Schedule A of the freehold land, as the Company is contesting this claim in the court of law. Outflows and other consequential payments, if any, arising out of this claim would depend on the outcome of this dispute with the legal heir.

(b) The Company has recieved a demand notice for the assessment year 2020-21 for additional tax of ₹17.11 million from the Income tax department for the disallownace of non compete fees paid to the commission agents as per termination agreement which is considered as capital expenditure .The Company has filed an appeal against this order and the appeal is pending with the commissioner appeals.

Notes to the standalone financial statements

39. Employee Share based payment plan

a) Description of share-based payment plan

The 'SJS Enterprises - Employee Stock Option Plan 2021' ('SJS ESOP -2021') plan was approved by the shareholders at the extraordinary general meeting held on 14 July 2021 and subsequently by Nomination and remuneration committee vide their meeting held on 19 July 2021. The Plan entitles the employees with a right but not an obligation to purchase or subscribe at a future date the shares underlying the option at a pre-determined price, subject to compliance with vesting conditions; all exercised options shall be settled as provided under the SJS ESOP-2021 plan. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price as mentioned in the ESOP Offer letter.

The equity shares covered under these options vest at various dates over a period ranging from three to five years from the date of grant based on the length of service completed by the employee from the date of grant.

The exercise period is six months from the respective date of vesting or within thirty days from the resignation of employee whichever is earlier.

b) The reconciliation of the share options under the share option plan are as follows:

(₹ in million)

Particulars	As at 31 March 2023	Weighted average exercise price	As at 31 March 2022	Weighted average exercise price
Outstanding at the beginning of the year	1,199,500	263.86	-	263.86
Granted during the year*	159,000	297.97	1,389,000	263.86
Forfeited and lapsed during the year**	(46,000)	270.47	(189,500)	263.86
Outstanding at the end of the year	1,312,500	267.76	1,199,500	263.86
Exercisable at the end of the year				

(i) The options outstanding as at 31 March 2023 have an exercise price of ₹263.86 and 324.14 each. (31 March 2022: ₹263.86 each).

(ii) The weighted average remaining contractual life is of 2.39 years (31 March 2022: 3.28 years).

(iii) *The options granted during the year include 51,500 options (31 March 2022 : Nil) granted to the employees of Exotech Plastics Private Limited (subsidiary).

(iv) **The options forfieted during the year include 12,000 options (31 March 2022 : Nil) forfieted towards the employees of Exotech Plastics Private Limited (subsidiary).

c) The fair value per option is measured based on the Black-Scholes option pricing model, which is as below:

Measurement of fair value	Number of options	Range of fair value per option
As on 1 April 2022 to 31 March 2023	1,312,500	₹53.46 to ₹289.19
As on 1 April 2021 to 31 March 2022	1,199,500	₹53.46 to ₹68.74

d) **The fair value per options mentioned above is calculated on the grant date using the Black-Scholes option pricing model with the following assumptions:**

(₹ in million)

Assumptions	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average share price on the date of grant (₹)	285.08	263.86
Exercise Price (₹)	263.86, 289.18 and 324.14	263.86
Risk free interest rate	5.18% to 7.25%	5.18% to 5.96%
Dividend yield	0.78% to 1.52%	1.52%
Expected volatility	18.00% to 49.92%	18.00% to 21.06%
Expected life	2.50 years to 5.50 years	3.50 years to 5.50 years

Total employee compensation cost pertaining to SJS ESOP - 2021 during the year is ₹23.20 million (31 March 2022: ₹13.95 million).

40. Assets and liabilities relating to employee benefits

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid gratuity	-	11.50
Prepaid compensated absences	-	2.25
Total employee benefit assets	**-**	**13.75**
Non-current	-	11.50
Current	-	2.25

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for compensated absence	1.11	-
Provision for gratuity	3.12	-
Total employee benefit liabilities	**4.23**	**-**
Non-current	-	-
Current	4.23	-

The Company operates the following post-employment defined benefit plan

(a) Defined benefit plans (funded):

The Company operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks., such as longevity risk. currency risk, interest rate risk and market (investment) risk.

Notes to the standalone financial statements

A. Funding

Company's gratuity scheme for employees is administered through a trust with the SBI Life Insurance Company Limited. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

B. Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined assets / liability and its components

Reconciliation of present value of the defined benefit obligation

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Obligation at the beginning of the year	96.32	84.84
Current service cost	11.50	9.60
Interest cost	6.80	6.00
Benefits paid	(1.84)	(1.91)
Actuarial gain / (losses) on obligations recognised in recognised in Other Comprehensive Income (OCI)		
Changes in financial assumption	(0.83)	(2.08)
Change in demographic assumptions	(0.31)	-
Experience adjustment	10.62	(0.13)
Obligation at the end of the year	**122.26**	**96.32**
Reconciliation of present value of the plan assets		
Plan assets at the beginning of the year at fair value	107.82	94.52
Interest income on plan assets	7.80	6.98
Contributions	5.00	8.01
Benefits paid	(1.84)	(1.91)
Return on plan assets excluding interest income recognised in OCI	0.36	0.22
Plan assets at the end of the year at fair value	**119.14**	**107.82**
Net defined benefit (liability) / assets	**(3.12)**	**11.50**

C. (i) Expense recognised in the statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	11.50	9.60
Interest cost	6.80	6.00
Interest income	(7.80)	(6.98)
Net gratuity cost	**10.50**	**8.62**

C. (ii) Remeasurement recognised in other comprehensive Income

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial loss on defined benefit obligation	9.48	(2.21)
Return on plan assets, excluding interest income	(0.36)	(0.22)
Total	**9.12**	**(2.43)**

D. Plan assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Insurance fund	119.14	107.82
Total	**119.14**	**107.82**

E. Actuarial assumption and Sensitivity analysis

(i) Actuarial Assumption:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Rate of return on plan assets	7.13%	7.03%
Discounting rate	7.50%	7.13%
Future salary growth	12.50%	12.00%
Attrition rate	15.86%	15.47%
Weighted average duration of Defined benefit obligation (in years)	8.70	10.63
Retirement age	58 Years	58 Years

Notes:

(i) The discount rate is based on the prevailing market yield on Governmental Securities as at the balance sheet date for the estimate defined obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management. historical results of the return on plan assets and the Company's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to the standalone financial statements

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Projected benefit obligation on current assumption	122.26	96.32
Impact of change in discount rate by +1%	(8.87)	(7.34)
Impact of change in discount rate by -1%	10.08	8.40
Impact of change in salary rate by +1%	4.90	4.78
Impact of change in salary rate by -1%	(5.14)	(4.77)
Impact of change in employee turnover rate by +1%	(1.58)	(1.61)
Impact of change in employee turnover rate by -1%	1.71	1.78
Impact of change in mortality rate by +10%	(0.04)	(0.04)

F. Maturity profile of defined benefit obligation

The Defined benefit obligation shall mature after the year ended 31 March 2023 and 31 March 2022 as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
With in year 1	13.10	10.01
1 year to 2 years	10.15	7.43
2 years to 3 years	8.83	6.84
3 years to 4 years	7.26	5.92
4 years to 5 years	7.55	4.72
Over 5 years	75.37	61.38

(b) Defined contribution plan:

The Company makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Company recognised ₹12.93 million (31 March 2022 : ₹12.89 million) towards defined contribution plans.

41. Segment information

The Company is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive and consumer appliance industry such as automotive dials, overlays, badges and logos. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as one component. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Company's revenue from external customers and non - current assets of its single reportable segment by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from external customers		
India	2,643.28	2,210.77
Rest of the world	318.64	468.08
Total	**2,961.92**	**2,678.85**

Non current assets

All non – current assets other than financial instruments of the Company are located in India.

B Major customer

Following is the breakup of customer individually accounted for more than 10% of the revenue from external customers d1uring the year ended 31 March 2023 and 31 March 2022.

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Customer A	632.69	576.61
Customer B	398.29	341.51
Customer C	354.65	280.84
Customer D	307.85	-
Total	**1,693.48**	**1,198.96**

42. Business combinations

The Company had entered into a Settlement and Termination agreement ('Agreement') dated 18 April 2018, and acquired the business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') effective 1 May 2018 ('Acquisition date'). The Selling parties were earlier acting as sole selling agents of the Company and were providing end-to-end customer relationship and marketing services to the Company. The acquisition was made to gain the synergies of the business and the customers developed by the Selling parties and hence the management concluded this transaction to be a business combination as per Ind AS 103. Pursuant to this Agreement, the Company has acquired the business of the Selling parties for a total cash consideration of ₹100.00 million to be paid over a period of 2 years in 24 equal instalments effective 01 October 2018.

Notes to the standalone financial statements

The Company had conducted the fair valuation of the business on the date of acquisition and accordingly had recognised the following assets and liabilities at the Acquisition date:

(₹ in million)

Particulars	Amount
Intangible assets	
Customer relationships	37.56
Non-compete fees	12.20
Total fair value of net assets acquired (A)	**49.76**
Fair value of purchase consideration (B)	**89.27**
Goodwill arising on acquisition (C) = (B-A)	**39.51**

The aforesaid goodwill is not deductible under Income Tax Act, 1961.

Impairment testing of Goodwill generated from business combination

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition.The Company internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Acquired business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises has been merged with the Company and the management considered these acquired business with the Company as single cash-generating unit.

43. Details of non - current investments purchased and sold during the year under section 186(4) of the Act

(a) Investment in equity instruments**

(₹ in million)

Subsidiaries	Face Value per unit	As at 01 April 2022	Purchased during the year	Sold during the year	As at 31 March 2023
Exotech Plastics Private Limited (Subsidiary)	₹10	640.00 (2,800,000)*	-	-	640.00 (2,800,000)*
Surya Urja Two Private Limited (Associate)	₹10	-	6.00 (6,00,000)*	-	6.00 (6,00,000)*

* The amounts in parenthesis represents number of shares

(b) Details of inter corporate loans given during the year under section 186(4) of the Act **

(₹ in million)

Name of borrower	Rate of interest	Nature of relationship	As at 01 April 2022	Given during the year	Repayment during the year	As at 31 March 2023
Unsecured Exotech Plastics Private Limited	9%	Subsidiary	20.00	60.00	-	80.00

**Refer note 36

The inter corporate loans has been given to this subsidiary in the normal course of business for its operations.

Notes to the standalone financial statements

44 Additional regulatory information

a) Analytical ratio

Particulars	Numerator	Denominator	For the year ended 31 March 2023	For the year ended 31 March 2022	Variance (%)	Reason for Variance
Current ratio (in times)	Total current assets	Total current liabilities	4.20	4.11	2.19%	
Debt – equity ratio (in times)	Debt, consisting of borrowing and lease liabilities	Total equity	0.05	0.02	150.00%	Variance due to working capital demand loan of 120 million availed during the year.
Debt service coverage ratio (in times)	Earnings available for debt service	Debt Service	108.54	138.02	-21.36%	
Return on equity (in %)	Net Profits for the year – Preference Dividend (if any)	Average total equity	15.16%	15.42%	-0.26%	
Inventory turnover ratio (in times)	Cost of goods sold or sales	Average inventory	3.66	3.31	10.57%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.21	4.52	15.27%	
Trade payables turnover ratio (in times)	Net Credit Purchases	Average Trade Payables	6.55	4.85	35.05%	Variance due to duely payment of MSME vendors during the year and reduction in purchases during the year end.
Net capital turnover ratio (in times)	Revenue from operations	Working capital	1.51	1.92	-21.35%	
Net profit ratio (in %)	Net Profit for the year	Revenue from operations	19.85%	19.36%	0.49%	
Return on capital employed (in %)	Profit before finance cost and taxes	Capital Employed	17.79%	18.70%	-0.91%	
Return on investment (in %)	Realised and unrealised gain on investment	Average invested funds	5.22%	1.14%	4.08%	

Note:

Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Finance cost + other non cash adjustments

Debt service = Interest and Lease Payments + Principal repayments

Average working capital = Total current assets minus total current liabilities

Capital Employed = Tangible net worth + Lease liability + Deferred tax liability

Notes to the standalone financial statements

45. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. Other statutory information :

i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

iv) The Company is not classified as wilful defaulter.

v) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

vi) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

vii) The Company does not have any investment property during the financial year.

viii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act,2013), during the financial year which are repayable on demand or without specifying any terms or period of repayment.

47. Events after reporting period

Subsequent to the year end, the Company has entered into a share purchase agreement to acquire 90.1% stake in Walter Pack Automotive Products India (''WPAPI") for a consideration of 2,393 million. The acquired Company is in the business of design and development of high value-added functional decorative parts in the Indian market. The Company will account for this business combination in accordance with INDAS 103 in its standalone financial statement for the year ended 31 March 2024.

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the standalone financial statements for the year ended 31 March 2023 other than stated above.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of
S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph	**Sanjay Thapar**	**Mahendra Kumar Naredi**	**Thabraz Hushain. W**
Managing Director	CEO and Executive Director	Chief Financial Officer	Company Secretary
DIN: 00784084	DIN: 01029851	PAN: AEWPN9414M	PAN: ABVPW4613P
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023

Independent Auditor's Report

To the Members of S.J.S Enterprises Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of S.J.S Enterprises Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associate as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended

Basis for Opinion

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

Key Audit Matters

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

Revenue Recognition

See Note 2(a) to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from sale of goods in the ordinary course is recognized at transaction price after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government when the control of the goods has been transferred to the customer and there is no unfulfilled performance obligation. Revenue from sale of goods is recognised primarily at the point in time when the goods are delivered to the customer. The Group and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain sufficient appropriate audit evidence: 1. We evaluated the revenue recognition accounting policies by comparing it with the applicable accounting standards. 2. We, together with the IT specialists, tested the design, implementation and operating effectiveness of key controls over recognition of revenue. 3. On a sample basis, we tested the revenue transactions recorded during the year, by verifying the underlying documents such as sales orders, contractual terms of the invoice and delivery receipts. 4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year-end date to determine that revenue is recognised in the financial period in which control is transferred, based on terms and conditions set out in sales orders, sales invoice and delivery receipts. 5. We scrutinised journal entries posted to revenue account , based upon specific risk based criteria, to identify unusual or irregular items.

Impairment of Goodwill	
See Note 2(e) to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Goodwill is a significant item on the balance sheet and the Group performs impairment testing for goodwill annually. In performing such impairment assessment, the Group compared the carrying value of identifiable cash generating unit ("CGU") (to which goodwill had been allocated) with its respective 'value in use'. The computation is based on discounted cash flow method, to determine any impairment loss. We identified the impairment assessment of goodwill as a key audit matter because the assessment process is complex and judgmental by nature and is based on key assumptions relating to: • cash flow forecasts, • expected future business growth rate and discount rate • sensitivity analysis • future market and/ or economic conditions	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain audit evidence: 1. We obtained an understanding of the Company's process of determining the recoverable value of the cash generating unit ("CGU") (to which goodwill is allocated) 2. We tested the design, implementation and operating effectiveness of the relevant key controls of the processes and internal controls relating to impairment of non-financial assets including goodwill. 3. We evaluated the Group's identification of CGU, the carrying value of the CGU and the model followed by the Group for impairment assessment in compliance with the applicable Ind AS. 4. We tested the key inputs and underlying assumptions used by the Company in computing the recoverable amount of the CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of the business and historical trends. 5. We involved valuation specialists to assist us in evaluating and challenging the impairment model, assumptions and estimates. We assessed the reliability of the financial projections prepared by the Group by comparing projections for previous financial years with actual results realized and analysis of significant variances. 6. We performed sensitivity analysis on key assumptions used by the Group in computing recoverable amount of the CGU, to ascertain the extent of change in those assumptions that either individually or collectively could change the outcome of impairment assessment. 7. We evaluated the adequacy of disclosures made in the consolidated financial statements in relation to the impairment of goodwill.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding's Company Annual Report, but does not include the financial statements and auditor's report thereon. The Holding's Company Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary action as applicable, under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the Board of Directors of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended 31 March 2023.

d (i) The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, as disclosed in the note 44 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or its subsidiary company incorporated in India or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, as disclosed in the note 44 to the consolidated financial statements, no funds have been received by the Holding Company and its subsidiary company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary company incorporated in India shall:

- directly or indirectly, lend or invest in 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 from or on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and subsidiary company incorporated in India have neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and subsidiary company incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. No remuneration is paid by the subsidiary company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner

Place: Bengaluru
Date: 15 May 2023

Membership No.: 223018
ICAI UDIN: 23223018BGXLRV7798

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of S.J.S Enterprises Limited for the year ended 31 March 2023

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

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by the respective auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
a	S.J.S Enterprises Limited	L51909KA2005PLC036601	Holding Company	(vii) (a)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner

Place: Bengaluru
Date: 15 May 2023

Membership No.: 223018
ICAI UDIN: 23223018BGXLRV7798

Annexure B to the Independent Auditor's Report on the consolidated financial statements of S.J.S Enterprises Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of S.J.S Enterprises Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Umang Banka
Partner

Place: Bengaluru
Date: 15 May 2023

Membership No.: 223018
ICAI UDIN: 23223018BGXLRV7798

Consolidated Balance Sheet

as at 31 March 2023

(₹ in million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,517.20	1,525.66
Capital work-in-progress	3	17.17	1.91
Right-of-use assets	22	128.75	191.60
Goodwill	4, 42	289.31	289.31
Other Intangible assets	4	52.69	66.55
Financial Assets			
i. Investments	10	36.67	-
ii. Other non-current financial assets	5	23.14	19.73
Income tax assets (net)	6	-	18.46
Deferred tax assets (net)	7	8.12	15.64
Other non-current assets	8	150.46	61.29
Total Non-current assets		**2,223.51**	**2,190.15**
Current assets			
Inventories	9	484.14	415.51
Financial Assets			
i. Investments	10	1,351.03	784.42
ii. Trade receivables	11	905.08	858.01
iii. Cash and cash equivalents	12	79.18	159.54
iv. Bank balance other than cash and cash equivalents	13	217.97	65.19
v. Loans	14	4.28	3.31
vi. Other current financial assets	5	57.99	43.51
Other current assets	8	57.98	56.52
Total Current assets		**3,157.65**	**2,386.01**
Total Assets		**5,381.16**	**4,576.16**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	304.38	304.38
Other Equity	16	3,992.01	3,300.33
Total Equity		**4,296.39**	**3,604.71**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Lease liabilities	22	73.35	140.83
Deferred tax liabilities (net)	7	89.65	100.03
Total Non-current liabilities		**163.00**	**240.86**
Current liabilities			
Financial Liabilities			
i. Borrowings	17	203.73	125.85
ii. Lease liabilities	22	27.78	27.76
iii. Trade payables	18		
a) total outstanding dues of micro enterprises and small enterprises		166.30	150.40
b) total outstanding dues of creditors other than micro enterprises and small enterprises		259.03	157.81
iv. Other current financial liabilities	19	149.89	171.11
Income tax liability (net)	6	6.12	47.90
Other current liabilities	20	91.33	41.59
Provisions	21	17.59	8.17
Total Current liabilities		**921.77**	**730.59**
Total Liabilities		**1,084.77**	**971.45**
Total Equity and Liabilities		**5,381.16**	**4,576.16**
Significant accounting policies	**2**		

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084
Place: Bengaluru
Date: 15 May 2023

Sanjay Thapar
CEO and Executive Director
DIN: 01029851
Place: Bengaluru
Date: 15 May 2023

Mahendra Kumar Naredi
Chief Financial Officer
PAN: AEWPN9414M
Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P
Place: Bengaluru
Date: 15 May 2023

Consolidated Statement of Profit and Loss

for the Year Ended 31 March 2023

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	23	4,330.49	3,698.56
Other income	24	101.52	41.61
Total Income		**4,432.01**	**3,740.17**
EXPENSES			
Cost of materials consumed	25	1,942.65	1,590.88
Changes in inventory of finished goods, work-in-progress and stores and spares	26	(74.79)	(0.10)
Employee benefits expense	27	561.29	510.41
Finance costs	28	23.11	30.20
Depreciation and amortization expense	29	233.01	215.74
Other expenses	30	835.04	653.65
Total Expenses		**3,520.31**	**3,000.78**
Profit before share of profit/(loss) of associates and tax		**911.70**	**739.39**
Share of profit/(loss) of associate (net)		(0.00)	-
Profit before tax		**911.70**	**739.39**
Tax expense			
Current tax	31	240.19	204.39
Deferred tax (credit)	7	(1.02)	(15.18)
Total tax expense		**239.17**	**189.21**
Profit for the year		**672.53**	**550.18**
Other Comprehensive (Expense) / Income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of defined benefit plans	40	(7.57)	(0.76)
Income tax relating to items that will not be reclassified to profit or loss	31	1.84	0.28
Other Comprehensive (Expense) / Income for the year, net of tax		**(5.73)**	**(0.48)**
Total Comprehensive Income for the year		**666.80**	**549.70**
Profit attributable to:			
Owners of the Company		672.53	550.18
Non-controlling interest		-	-
Profit for the year		**672.53**	**550.18**
Other comprehensive (expense) / income attributable to:			
Owners of the Company		(5.73)	(0.48)
Non-controlling interest		-	-
Other comprehensive (expense) / income for the year, net of tax		**(5.73)**	**(0.48)**
Total Comprehensive Income attributable to:			
Owners of the Company		666.80	549.70
Non-controlling interest		-	-
Total Comprehensive Income for the year		**666.80**	**549.70**
Earnings per equity share (face value of ₹10 each)			
Basic (in ₹)	32	22.10	18.08
Diluted (in ₹)	32	21.81	17.90
Significant accounting policies	**2**		

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph	**Sanjay Thapar**	**Mahendra Kumar Naredi**	**Thabraz Hushain. W**
Managing Director	CEO and Executive Director	Chief Financial Officer	Company Secretary
DIN: 00784084	DIN: 01029851	PAN: AEWPN9414M	PAN: ABVPW4613P
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023	Date: 15 May 2023

Consolidated Statement of Cash Flows

for the Year Ended 31 March 2023

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	**911.70**	**739.39**
Adjusted for:		
Depreciation and amortization expense	233.01	215.74
Share based payments	24.88	13.95
Loss on sale and write off of property, plant and equipment, net	0.67	2.74
Interest income	(25.02)	(17.12)
Interest expense	23.11	30.20
Unrealised foreign exchange gain, net	0.52	(3.70)
Unrealised gain on current investments measured at fair value through profit or loss	(17.28)	(4.33)
Gain on sale of investments measured at fair value through profit or loss	(27.35)	(4.76)
Loss allowances on financial assets, net	11.87	(0.94)
Bad debt written off	0.30	1.00
Remeasurement of lease liability and ROU assets	(14.15)	-
Liabilities no longer required, written back	(0.01)	(0.70)
Operating cash flow before working capital changes	**1,122.25**	**971.47**
Adjustments for increase / decrease in operating assets and liabilities		
Changes in trade receivables	(61.29)	(32.46)
Changes in inventories	(68.63)	29.34
Changes in loans	(0.97)	(1.81)
Changes in current and non current assets	1.91	15.54
Changes in current and non current financial assets	(7.45)	(43.05)
Changes in trade payables	117.36	(92.22)
Changes in current and non current financial liabilities	(21.26)	1.31
Changes in provisions	1.87	(7.32)
Changes in current and non current liabilities	49.77	(31.09)
Cash generated from operations	**1,133.56**	**809.71**
Income tax paid (net)	(263.52)	(203.49)
Net cash generated from operating activities (A)	**870.04**	**606.22**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(308.16)	(134.96)
Proceeds from sale of property, plant and equipment	2.33	0.94
Investment in mutual funds	(2,216.59)	(1,274.96)
Proceeds from sale of mutual funds	2,090.49	1,314.29
Investment in bonds, commercial papers and others	(721.06)	-
Proceeds from sale of commercial paper	300.00	-
Investment in term deposits	(150.00)	(1,108.79)
Proceeds from maturity of term deposits	-	1,217.75
Interest received on deposits and advances	8.94	18.92
Acquisition of shares in wholly owned subsidiary, net of cash and cash equivalent (refer Note 42(b))	-	(528.77)
Acquisition of shares in an associate (refer Note 10)	(6.00)	-
Net cash generated from investing activities (B)	**(1,000.05)**	**(495.58)**
Cash flow from financing activities		
Proceeds / (Repayment) of short-term borrowings, net	77.88	(1.99)
Repayment of long-term borrowings	-	(13.61)
Payment of principal and interest on lease	(18.54)	(27.77)
Dividend paid	-	(111.10)

Consolidated Statement of Cash Flows

for the Year Ended 31 March 2023

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest paid	(10.97)	(13.18)
Net cash generated from financing activities (c)	**48.37**	**(167.65)**
Net decrease in cash and cash equivalents (A+ B+ C)	**(81.64)**	**(57.01)**
Cash and cash equivalents at the beginning of the year	**159.54**	**216.12**
Effects of exchange rate gain on cash and cash equivalents	1.28	0.43
Cash and cash equivalents at the end of the year	**79.18**	**159.54**
Components of cash and cash equivalents (refer Note 12)		
Cash in hand	0.30	0.16
Balance with banks		
- in current account	39.58	30.92
- in cash credit account	22.23	49.70
- in Exchange earner's foreign currency accounts	13.67	13.84
- Deposits with original maturity of less than 3 months	3.40	64.92
Cash and cash equivalents as per Balance Sheet	**79.18**	**159.54**

Reconciliation between opening and closing balance for liabilities arising from financing activities:

(₹ in million)

Particulars	As at 1 April 2022	Cash flows	Non-cash movements	As at 31 March 2023
Leases	168.59	(18.54)	(48.92)	101.13
Short-term borrowings	125.85	77.88	-	203.73
Interest accrued but not due	-	(10.97)	10.97	-
Total liabilities from financing activities	**294.44**	**48.37**	**(37.95)**	**304.86**

(₹ in million)

Particulars	As at 1 April 2021	Liability assumed in acquisition	Cash flows	Non-cash movements	As at 31 March 2022
Long-term borrowings	-	13.61	(13.61)	-	-
Leases	-	179.08	(27.77)	17.28	168.59
Short-term borrowings	92.07	35.77	(1.99)	-	125.85
Interest accrued but not due	-	0.05	(13.18)	13.13	-
Total liabilities from financing activities	**92.07**	**228.51**	**(56.55)**	**30.41**	**294.44**

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

Significant accounting policies (refer Note 2)

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

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Managing Director
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Place: Bengaluru
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DIN: 01029851
Place: Bengaluru
Date: 15 May 2023

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Chief Financial Officer
PAN: AEWPN9414M
Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P
Place: Bengaluru
Date: 15 May 2023

Consolidated Statement of Changes in Equity

for the Year Ended 31 March 2023

Equity Share capital

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance	304.38	304.38
Changes in equity share capital	-	-
Closing balance	**304.38**	**304.38**

Other Equity

(₹ in million)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	General reserve	Share options outstanding account	Securities premium	Retained earnings		
As at 1 April 2022	**8.85**	**13.95**	**39.41**	**3,244.10**	**(5.98)**	**3,300.33**
Profit for the year	-	-	-	672.53	-	672.53
Share based payment to employees	-	24.88	-	-	-	24.88
Other comprehensive income / (expense)	-	-	-	-	(5.73)	(5.73)
Total comprehensive income	**-**	**24.88**	**-**	**672.53**	**(5.73)**	**691.68**
Dividend paid during the year	-	-	-	-	-	-
As at 31 March 2023	**8.85**	**38.83**	**39.41**	**3,916.63**	**(11.71)**	**3,992.01**
As at 1 April 2021	**8.85**	**-**	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**
Profit for the year	-	-	-	550.18	-	550.18
Share based payment to employees	-	13.95	-	-	-	13.95
Other comprehensive income / (expense)	-	-	-	-	(0.48)	(0.48)
Total comprehensive income	**-**	**13.95**	**-**	**550.18**	**(0.48)**	**563.65**
Dividend paid during the year	-	-	-	(111.10)	-	(111.10)
As at 31 March 2022	**8.85**	**13.95**	**39.41**	**3,244.10**	**(5.98)**	**3,300.33**

Significant accounting policies (refer Note 2)

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084
Place: Bengaluru
Date: 15 May 2023

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CEO and Executive Director
DIN: 01029851
Place: Bengaluru
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Chief Financial Officer
PAN: AEWPN9414M
Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P
Place: Bengaluru
Date: 15 May 2023

Notes to the consolidated financial statements

1. Company overview

S.J.S. Enterprises Limited (formerly S.J.S Enterprises Private Limited) ("S.J.S" or the "Company" or the "Parent Company") and its subsidiary (Parent Company and its subsidiary together referred to as the "Group"), and its associate is incorporated and domiciled in India. The Company was formed as a partnership firm in 1987 and was converted to private limited company in 2005. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) on 15 November 2021. The Group is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive, consumer durables and consumer appliance industry such as automotive dials, overlays, badges and logos, spare parts, assemblies, accessories of plastic and other materials.

The registered office of the Company is at Sy.Nos – 28/ P16 Agra Village & 85/ P6 BM Kaval Village, Kengeri Hobli, Bangalore South 560082, Karnataka, India.

a) Statement of Compliance and presentation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Group's consolidated financial statements for the year ended 31 March 2023 were approved by the Board of Directors of the Group in their meeting held on 15 May 2023.

b) Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except:

a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.

b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

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 the market participants at the measurement date.

These consolidated financial statements have been prepared as a going concern on the basis of relevant Ind AS that are effective at the Group's reporting date, 31 March 2023.

c) Functional currency and presentation

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Parent Company's functional currency. All amounts have been rounded-off to the nearest million up to two decimal places, unless otherwise mentioned.

d) Use of estimates, assumptions and judgements

The preparation of consolidated financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

Assumptions, judgements and estimation:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;

Notes to the consolidated financial statements

- Note 2 (g) - Impairment of financial assets
- Note 2 (k) - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 2 (m) - Lease classification;
- Note 2 (o) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Note 34 – Fair value measurement of financial instruments
- Note 42 – Impairment testing of Goodwill generated from business combination: key assumptions underlying recoverable amounts

e) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

f) Fair value measurement

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs are inputs other than quoted prices included in 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 are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 33: financial instruments.

g) Basis of Consolidation

The Company consolidates all entities which are controlled by it.

Notes to the consolidated financial statements

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balances and unrealized gains on transactions between Group Companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognized as per Ind AS 12 Income Taxes. Accounting policies of subsidiaries are aligned where necessary to ensure consistency with the policies adopted by the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in statement of profit and loss. Any investment retained is recognised at fair value.

The Group's interests in equity accounted investees comprise interests in an associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interest in associate is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity - accounted investees until the date on which significant influence ceases.

The companies which are included in the consolidation and the Company's holdings therein is as under:

Name of Company (Nature of Business)	Country of incorporation	Ownership interest as at 31 March 2023
Exotech Plastics Private Limited (Manufacturing of automobile components)	India	100%*
Suryaurja Two Private Limited (Business of sale of electricity)	India	48%*

* The Company has acquired the subsidiary on 5 April 2021 and associate on 13 April 2022.

2) Summary of significant accounting policies

(a) Revenue recognition

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customer in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities. For certain contracts that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at the point in time when control is transferred to customer.

Notes to the consolidated financial statements

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Scrap sales

Revenue from sale of scraps in the course of ordinary activities is measured at the transaction price.

Trade receivables

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Sale of services

Revenue with respect to sale of services is recognized when the services are rendered, and no significant uncertainty exists regarding the collection of consideration.

Export incentives

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same.

Variable consideration

If the consideration in a contract includes a variable amount, such as sales returns and discounts, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income

Other income comprises interest income on deposits, gain/ (losses) on disposal of financial assets and non-financial assets. It is recognised on accrual basis except where the receipt of income is uncertain.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

Dividend income is accounted when the right to receive the dividend is established, Dividend income is included under the head "Other income" in the statement of profit and loss account.

(b) Business combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Notes to the consolidated financial statements

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Other intangible assets:

Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and is included in depreciation and amortization expenses in the statements of profit and loss. The estimated useful life of amortizable intangibles are reviewed and where appropriate are adjusted, annually.

(c) Property, plant and equipment

Property, plant and equipment, excluding Freehold land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on bringing the assets to working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing them and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and such expenditure can be measured reliably.

Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment."

A property, plant and equipment is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under capital work in progress.

Depreciation and useful lives

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Based on the internal technical assessment, the management believes that the useful lives as given below, which are different from those prescribed in Part C of schedule II of the Act, best represent the period over which Management expects to use these assets.

Notes to the consolidated financial statements

Property, Plant and Equipment	Management's estimate of useful life (in years)	Useful life as per Schedule II
Building	30	30
Electrical Installations	10	10
Plant and machineries	15	15
Furniture and fixtures	10	10
Computers	3	3
Servers	3	6
Office equipment	5	5
Vehicle	8	8

Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains / losses.

(d) Other Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets that is considered for amortization of intangible assets are as follows:

Intangible Asset	Management's estimate of useful life (in years)
Computer Software	3
Technical Know How	3
Customer Relationship	7
Non-compete	3

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss.

(e) Impairment of non-financial asset

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets (other than inventories, contract asset and deferred tax assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated

Notes to the consolidated financial statements

recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset / CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized immediately in the statement of profit and loss.

(f) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.

The method of determination of cost is as follows:

- Raw materials and components– on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes cost of conversion.
- Finished goods– includes cost of conversion.
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

(g) Financial Instruments

A. Financial assets

i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- Amortized cost
- Fair value through other comprehensive income (FVOCI) - debt instruments;
- Fair value through other comprehensive income (FVOCI) - equity investments; or
- Fair value through profit and loss (FVTPL).

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

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses
Financial assets, at FVTPL:
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit or loss.

Financial assets at amortized cost:
These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Any gain or loss on derecognition is recognized in the statement of profit or loss.

Debt investments at FVTOCI:
These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVTOCI:
These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

Impairment of financial assets
The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Group determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Notes to the consolidated financial statements

If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12 month ECL.

iii) Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

B. Financial liability

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortized cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and 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/ losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

Amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

Offsetting

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

(h) Cash and cash equivalents

Cash and cash equivalent includes cash in hand, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Cash dividend to equity holders of the Group

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

(j) Foreign Currency transactions and translations

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(k) Employee benefits

(i) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified

Notes to the consolidated financial statements

contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plans

The Group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Group's gratuity scheme is administered through a third party trust and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(iii) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(v) Share-based payment transactions.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and Group's estimate of equity instruments that will vest. That cost is recognized, together with a corresponding increase in share-options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

(l) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production of upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.. All other borrowing costs are expensed in the period in which they occur.

(m) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises a right-of-use (ROU) asset representing its right to use the underlying assets for the lease term and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group applies the short-term lease recognition exemption to all assets that have a lease term of 12 months or less from the commencement date. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Further, leases for which the underlying asset is of low value has been recognized immediately in the Statement of Profit and Loss.

(n) Taxation

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax

Notes to the consolidated financial statements

bases of assets and liabilities and their carrying amounts in the consolidated financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction, and temporary investment related to investment in subsidiaries, associates and joint agreements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(o) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future operating losses are not provided for.

(ii) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(iii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

(p) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the entity as a whole for the purpose of making decisions about resource allocation and performance assessment. Refer Note 41 for segment information and segment reporting.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(s) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in proportion to the depreciation charged over the expected useful life of the related asset.

(t) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

IND AS 1 – Presentation of financial statement

The amendment specifies Companies to disclose material accounting policies rather than their significant accounting policies since the accounting policy information, together with other information is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

The Group does not expect the amendment to have any significant impact in its financial statements.

IND AS 8, Accounting policies, Change in accounting estimates and Errors

The amendment has replaced the definition of "change in account estimate " with revised definition of "accounting estimate".

The Group does not expect the amendment of change in definition to have any significant impact in its financial statements.

IND AS 12, Income Taxes

The amendment has narrowed the scope of Initial recognition exemption (IRE) which now does not apply to transactions that give rise to equal and offsetting temporary differences. Accordingly, the Companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of lease and decommissioning provision.

The Group does not expect the amendment to have any significant impact in its financial statements.

Notes to the consolidated financial statements

3. Property, plant and equipment and Capital work-in-progress

(₹ in million)

Particulars	Freehold Land	Leasehold Improvements (refer i)	Buildings	Electrical installations	Plant and machineries	Furniture and fixtures	Computers (including servers)	Office equipment	Vehicles	Total	Capital work-in-progress (Note i)
Cost or Deemed Cost											
As at 31 March 2021	**278.10**	**-**	**507.81**	**134.43**	**981.68**	**28.04**	**16.23**	**45.29**	**37.57**	**2,029.15**	**42.52**
Additions due to acquisition [refer Note 42(b)]	-	**18.28**	-	-	199.29	4.58	-	1.15	3.81	**227.11**	-
Additions	-	-	2.82	24.39	90.60	3.49	7.59	1.98	12.01	**142.88**	1.91
Deletions	-	-	-	-	(10.22)	-	-	-	-	**(10.22)**	-
Capitalised	-	-	-	-	-	-	-	-	-	-	(42.52)
As at 31 March 2022	**278.10**	**18.28**	**510.63**	**158.82**	**1,261.35**	**36.11**	**23.82**	**48.42**	**53.39**	**2,388.92**	**1.91**
Additions	-	1.14	0.93	-	155.78	5.33	15.92	3.35	13.65	**196.10**	17.17
Deletions	-	-	-	-	(28.65)	-	(1.67)	(4.10)	(4.70)	**(39.12)**	-
Capitalised	-	-	-	-	-	-	-	-	-	-	(1.91)
As at 31 March 2023	**278.10**	**19.42**	**511.56**	**158.82**	**1,388.48**	**41.44**	**38.07**	**47.67**	**62.34**	**2,545.90**	**17.17**
Accumulated depreciation											
As at 31 March 2021	**-**	**-**	**65.48**	**37.49**	**458.50**	**8.88**	**12.38**	**26.33**	**11.07**	**620.13**	**-**
Additions due to acquisition [refer Note 42(b)]	-	3.45	-	-	59.09	1.24	-	0.52	1.00	**65.30**	-
Depreciation for the year	-	1.73	16.07	13.61	134.40	2.97	2.84	6.97	5.95	**184.54**	-
Depreciation on deletions	-	-	-	-	(6.71)	-	-	-	-	**(6.71)**	-
As at 31 March 2022	**-**	**5.18**	**81.55**	**51.10**	**645.28**	**13.09**	**15.22**	**33.82**	**18.02**	**863.26**	**-**
Depreciation for the year	-	2.53	16.12	15.41	145.52	3.36	5.14	7.06	6.42	**201.56**	-
Depreciation on deletions	-	-	-	-	(27.12)	-	(1.58)	(3.94)	(3.48)	**(36.12)**	-
As at 31 March 2023	**-**	**7.71**	**97.67**	**66.51**	**763.68**	**16.45**	**18.78**	**36.94**	**20.96**	**1,028.70**	**-**
Net carrying amount											
As at 31 March 2021	**278.10**	**-**	**442.33**	**96.94**	**523.18**	**19.16**	**3.85**	**18.96**	**26.50**	**1,409.02**	**42.52**
As at 31 March 2022	**278.10**	**13.10**	**429.08**	**107.72**	**616.07**	**23.02**	**8.60**	**14.60**	**35.37**	**1,525.66**	**1.91**
As at 31 March 2023	**278.10**	**11.71**	**413.89**	**92.31**	**624.80**	**24.99**	**19.29**	**10.73**	**41.38**	**1,517.20**	**17.17**

i) The Leasehold improvements of the Group are depreciated over a period of lease or useful life whichever is less. The lease period was commenced from 15 June 2013. The initial lease period mentioned in the lease agreement was of 9 years, with an option to extend the lease for a further period of 9 years solely at the option of the lessee. Hence the total lease period was considered till 14 June 2031 i.e. 18 years. During the current year, the lease contract was modified and the lease period was reduced to 5 years i.e. till 14 June 2027. Accordingly, the depreciable life has also been reduced to 5 years which is considered to be a change in accounting estimate. The incremental impact of depreciation on the lease modification is given below:

(₹ in million)

For the year ended	31 March 2023	31 March 2024	31 March 2025	31 March 2026	31 March 2027	Future years
Increase in depreciation charge	0.93	1.15	1.15	1.15	1.15	(5.53)

Notes to the consolidated financial statements

Note (i)

(a) The ageing information for capital work in progress for the year ended 31 March 2023 and 31 March 2022 is as follows:

(₹ in million)

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 - 2 Years	2-3 Years	More than 3 years	Total
31 March 2023					
Projects in progress	17.17	-	-	-	17.17
Projects temporarily suspended	-	-	-	-	-
	17.17	**-**	**-**	**-**	**17.17**
31 March 2022					
Projects in progress	1.91	-	-	-	1.91
Projects temporarily suspended	-	-	-	-	-
	1.91	**-**	**-**	**-**	**1.91**

(b) There are no capital work in progress whose completion is overdue or exceeded its cost compared to its original plan.

(c) The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Group.

4. Other Intangible assets

(₹ in million)

Particulars	Goodwill* (A)	Other intangible assets					Total (A+B)
		Software	Technical Know-how	Customer relationship*	Non-compete fees*	Total (B)	
Cost or Deemed Cost							
As at 31 March 2021	**39.51**	**23.42**	**2.92**	**37.56**	**12.20**	**76.10**	**115.61**
Acquired on acquisition [refer Note 42(b)]	249.80	0.33	-	39.00	13.00	52.33	**302.13**
Additions	-	6.89	-	-	-	6.89	**6.89**
Deletions	-	-	-	-	-	-	**-**
As at 31 March 2022	**289.31**	**30.64**	**2.92**	**76.56**	**25.20**	**135.32**	**424.63**
Additions	-	4.31	-	-	-	4.31	**4.31**
Deletions	-	(0.70)	-	-	-	(0.70)	**(0.70)**
As at 31 March 2023	**289.31**	**34.25**	**2.92**	**76.56**	**25.20**	**138.93**	**428.24**
Accumulated amortization							
As at 31 March 2021	**-**	**20.00**	**2.92**	**15.66**	**11.85**	**50.43**	**50.43**
Acquired on acquisition	-	0.31				0.31	**0.31**
Amortization for the year	-	2.42	-	10.94	4.67	18.03	**18.03**
As at 31 March 2022	**-**	**22.73**	**2.92**	**26.60**	**16.52**	**68.77**	**68.77**
Amortization for the year	-	2.86	-	10.94	4.33	18.13	**18.13**
Amortization on deletions	-	(0.66)	-	-	-	(0.66)	**(0.66)**
As at 31 March 2023	**-**	**24.93**	**2.92**	**37.54**	**20.85**	**86.24**	**86.24**
Net carrying amount							
As at 31 March 2021	**39.51**	**3.42**	**-**	**21.90**	**0.35**	**25.67**	**65.18**
As at 31 March 2022	**289.31**	**7.91**	**-**	**49.96**	**8.68**	**66.55**	**355.86**
As at 31 March 2023	**289.31**	**9.32**	**-**	**39.02**	**4.35**	**52.69**	**342.00**

*Refer note 42

Notes to the consolidated financial statements

(a) Goodwill of ₹249.80 million pertains to acquisition of a subsidiary (refer Note 42(b)) and the remaining goodwill of ₹39.51 million pertains to business acquisition of Delta Ram, Srisha Enterprises and SM Enterprises (refer Note 42(a))

(b) The Group does not have any intangible assets under development.

5. Other financial assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Security deposit	23.04	19.63
Interest accrued but not due	(0.00)	-
Margin money deposits*	0.10	0.10
Total	**23.14**	**19.73**
Current		
Unsecured, considered good		
Security deposit **	0.35	30.35
Interest accrued on fixed deposit	9.43	0.86
Export incentives receivables	0.30	0.85
IPO expenses receivables [refer Note 36]	-	11.45
Expense reimbursable receivable [refer Note 36]	47.91	-
Total	**57.99**	**43.51**

* Margin money provided as guarantee for Gurgaon Warehouse to Value Added Tax and Central Sales Tax Department.

** Includes a deposit of Nil as on 31 March 2023 (₹30.00 million as on 31 March 2022) to National Stock Exchange of India Limited on account of initial public offerings.

6. Income tax assets and liabilities (net)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non - current		
Advance tax and tax deducted at source, net of provision for tax	-	18.46
Current		
Income tax liabilities, net of tax assets	6.12	47.90

a) The gross movement in the income tax liability for the year ended 31 March 2023 and 31 March 2022 is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net income tax liability at the beginning of the year	(29.44)	(20.85)
Net income tax liability assumed in acquisition [refer Note 42(b)]	-	(7.69)
Current income tax expense	(240.19)	(204.39)
Income tax paid (including interest)	263.52	203.49
Others	(0.01)	-
Net income tax liability at the end of the year	**(6.12)**	**(29.44)**

Notes to the consolidated financial statements

7. Deferred Tax assets and liabilities (net)

For the year ended 31 March 2023

(₹ in million)

Particulars	As at 1 April 2022	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2023
Deferred tax liabilities				
Property, plant and equipment and intangible assets	133.05	-	(7.35)	125.70
Right of use assets	31.87	-	(16.71)	15.16
Contract acquisition costs	3.97	-	0.92	4.89
Prepaid gratuity	1.79	-	(1.79)	(0.00)
Intangible assets acquired in acquisition	11.72	-	(2.34)	9.38
Others	1.09	-	3.20	4.29
Total deferred tax liabilities (A)	**183.49**	**-**	**(24.07)**	**159.42**
Deferred tax assets				
Provision for inventory obsolescence	14.15	-	0.92	15.07
Provision for gratuity	-	1.84	0.09	1.93
Provision for compensated absences	0.55	-	0.76	1.31
Discount payable and provision for sales returns and claim	20.96	-	(1.21)	19.75
Provision for bonus	5.62	-	(5.36)	0.26
Lease liability	46.90	-	(17.46)	29.44
Loss allowances on financial assets, net	0.72	-	3.50	4.22
Provision for doubtful advances and receivables	2.57	-	0.12	2.69
Unwinding of financial assets	2.15	-	(0.90)	1.25
Others	5.48	-	(3.51)	1.97
Total deferred tax asset (B)	**99.10**	**1.84**	**(23.05)**	**77.89**
Net deferred tax liabilities (A-B)	**84.39**	**(1.84)**	**(1.02)**	**81.53**

For the year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Deferred tax liabilities assumed in acquisition	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax liabilities					
Property, plant and equipment and intangible assets	130.53	12.26	-	(9.74)	133.05
Right of use assets	-	35.35	-	(3.48)	31.87
Contract acquisition costs	3.47	-	-	0.50	3.97
Prepaid gratuity	2.44	(0.03)	(0.28)	(0.34)	1.79
Intangible assets acquired in acquisition	-	14.47	-	(2.75)	11.72
Others	2.37	-	-	(1.28)	1.09
Total deferred tax liabilities (A)	**138.81**	**62.05**	**(0.28)**	**(17.09)**	**183.49**

Notes to the consolidated financial statements

For the year ended 31 March 2022 (₹ in million)

Particulars	As at 1 April 2021	Deferred tax liabilities assumed in acquisition	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax assets					
Provision for inventory obsolescence	10.73	-	-	3.42	14.15
Provision for compensated absences	(0.50)	0.86	-	0.19	0.55
Discount payable and provision for sales returns and claim	30.53	0.49	-	(10.06)	20.96
Provision for bonus	3.84	-	-	1.78	5.62
Lease liability	-	49.82	-	(2.92)	46.90
Loss allowances on financial assets, net	0.32	0.65	-	(0.25)	0.72
Provision for doubtful advances and receivables	-	-	-	2.57	2.57
Unwinding of financial assets	-	2.30	-	(0.15)	2.15
Others	1.97	-	-	3.51	5.48
Total deferred tax asset (B)	**46.89**	**54.12**	**-**	**(1.91)**	**99.10**
Net deferred tax liabilities (A-B)	**91.92**	**7.93**	**(0.28)**	**(15.18)**	**84.39**

The net deferred tax liabilities as on 31 March 2023 and 31 March 2022 is as given below

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non - current		
Deferred tax assets (net)	8.12	15.64
Non - current		
Deferred tax liabilities (net)	89.65	100.03
Net deferred tax liabilities	**81.53**	**84.39**

8. Other assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non - current		
Unsecured, considered good		
Capital advances *	125.47	32.93
Other advances		
- Prepaid gratuity [refer Note 40]	-	7.55
Prepaid expenses	0.81	0.66
Contract acquisition costs	13.61	9.58
Receivables from government authorities [refer Note (a) below]	10.57	10.57
	150.46	**61.29**

Notes to the consolidated financial statements

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered doubtful		
Indirect tax paid under protest	3.00	3.00
Less: Provision	(3.00)	(3.00)
	-	-
Receivables from government authorities	4.84	4.84
Less: Provision [refer Note (a) below]	(4.84)	(4.84)
	-	-
Total	**150.46**	**61.29**
Current		
Unsecured, considered good		
Balances with government authorities	2.50	22.40
Prepaid expenses	8.85	7.92
Contract acquisition costs	5.84	6.21
Advance to suppliers	40.52	19.53
Others	0.27	0.46
	57.98	**56.52**
Unsecured, considered doubtful		
Balances with government authorities	8.28	8.28
Less: Provision [refer Note 21 (a)]	(8.28)	(8.28)
Total	**57.98**	**56.52**

* During the year ended 31 March 2023, the Group has paid ₹90 million to Bansal Steel & Power Limited for acquisition of leasehold rights of land. Subsequent to the year end, the Group has paid the remaining consideration aggregating to ₹58 million and registered the land in its name.

a) Bangalore Metro Rail Corporation Limited (BMRCL) has acquired a portion of the freehold land for an agreed compensation of ₹15.41 million (including tax deducted at source). On the above land, one of the female legal heirs of the erstwhile owner of the freehold land has raised an allegation for separate possession of certain portion of the freehold land. On account of the dispute, the acquisition compensation amount has been deposited by BMRCL in the Court till the final settlement. During the year ended 31 March 2021, the Group had made a provision of ₹4.84 million primarily towards the female legal heir share of claim. The matter is currently pending in the court for further hearing.

9. Inventories (Valued at lower of cost and net realizable value)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials [refer Note (a) and (b) below]	165.09	171.25
Work-in-progress	131.62	110.08
Finished goods [refer Note (b) below]	181.51	127.73
Stores and spares	5.92	6.45
Total	**484.14**	**415.51**

(a) Including goods in transit as on 31 March 2023 ₹17.10 million (31 March 2022 ₹23.06 million).

(b) Value of inventories above is stated after provisions ₹59.89 million (31 March 2022 ₹56.22 million) for write-downs to net realisable value and provision for slow-moving and obsolete items.

Notes to the consolidated financial statements

10. Investments

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non current		
Investment in equity instruments of associate - Unquoted		
6,00,000 (31 March 2022: Nil) fully paid up equity shares of Surya Urja Two Private Limited [refer Note (a)]	6.00	-
Unquoted- carried at amortized cost		
Investment in bonds	30.67	-
	36.67	**-**
Current		
Carried at fair value through profit or loss (FVTPL)		
Investment in Mutual funds - Unquoted*	955.13	784.42
Unquoted- carried at amortized cost		
Investment in bonds, commercial papers and others	395.90	-
Total	**1,351.03**	**784.42**

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in Mutual funds - Unquoted		
142,039.52 units (31 March 2022: 206,080.20 units) in Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	51.11	70.16
Nil units (31 March 2022: 344,428.24 units) in Aditya Birla Sun Life Savings Fund - Growth - Regular Plan	-	151.66
11,032.57 units (31 March 2022: 23,245.42 units) in DSP Liquidity Fund - Regular Plan - Growth	35.17	70.15
Nil units (31 March 2022: 23,468.20 units) in Kotak Liquid Fund - Regular Plan - Growth	-	100.42
Nil units (31 March 2022: 17,478.91 units) in Nippon India Liquid Fund - Growth	-	90.27
37,893.08 units (31 March 2022: 18,692.95 units) in Tata Money Market Fund - Regular Plan - Growth	151.42	70.77
Nil units (31 March 2022: 21,048.29 units) in Tata Liquid Fund - Regular Plan - Growth	-	70.16
Nil units (31 March 2022: 45,197.78 units) in Tata Overnight Fund - Regular Plan - Growth	-	50.53
Nil units (31 March 2022: 1,926,537.46 units) in SBI Short Term Debt Fund - Regular Plan - Growth	-	50.18
14,666,150.63 units (31 March 2022: Nil units) in Aditya Birla Sun Life CRISIL IBX AAA - Jun 2023 Index Fund - Regular Growth	154.11	-
17,172.63 units (31 March 2022: Nil units) in SBI Liquid Fund - Regular Growth	60.04	-
2,228,040.87 units (31 March 2022: Nil units) in DSP Savings Fund - Regular Plan - Growth	99.96	-
43,386.85 units (31 March 2022: Nil units) in Axis Money Market Fund - Direct Growth	52.83	-
6,212,481.38 units (31 March 2022: Nil units) in HDFC Ultra Short Term Fund - Regular Growth	80.28	-
46,703.26 units (31 March 2022: Nil units) in Nippon India Money Market Fund - Growth	164.05	-
Nil units (31 March 2022: 366,439.10 units) in SBI Arbitrage Opportunities Fund - Regular Plan - Growth	-	10.00
Nil units (31 March 2022: 3,096,338.10 units) in Axis Arbitrage Fund - Direct Growth	-	50.12
27,913.51 units (31 March 2022: Nil units) in Kotak Money Market Fund - Regular Plan - Growth	106.16	-
Aggregate amount of unquoted investment and market value, thereof	**955.13**	**784.42**

(a) During the year ended 31 March 2023, the Company has entered into a Power Supply and Offtake Agreement ("PSOA") and Share Subscription and Shareholders' Agreement ("SSSHA") with Suryaurja Two Private Limited ("STPL"), and acquired 6,00,000 Equity Shares of STPL for a consideration of ₹6 million . STPL is engaged in the business of power generation from renewable sources for captive consumption. The investment is made in order to qualify as a captive consumer in accordance with The Electricity Act, 2003.

*Information about the Group's exposure to credit and market risks, and fair value measurement is included in Note 33 and Note 34.

11. Trade receivables

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured and Undisputed		
Considered good	910.15	856.88
Less: Provision for impairment allowance	(9.89)	(2.20)
	900.26	**854.68**
Trade receivables - credit impaired	4.63	0.45
Less: Provision for impairment allowance	(4.63)	(0.45)
	-	**-**
Unbilled revenue	4.82	3.33
Net trade receivables	**905.08**	**858.01**

(i) The Group's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in Note 34.

(ii) Ageing for trade receivables:

(₹ in million)

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
31 March 2023								
i) Undisputed trade receivable - considered good	4.82	724.58	174.81	10.76	-	-	-	**914.97**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
iii) Undisputed trade receivable - credit impaired	-	-	-	-	4.63	-	-	**4.63**
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-	**-**
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**
Total	**4.82**	**724.58**	**174.81**	**10.76**	**4.63**	**-**	**-**	**919.60**

Notes to the consolidated financial statements

(₹ in million)

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
31 March 2022								
i) Undisputed trade receivable - considered good	3.33	722.58	132.96	1.34	-	-	-	**860.21**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed trade receivable - credit impaired	-	-	-	-	0.45	-	-	**0.45**
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
	3.33	**722.58**	**132.96**	**1.34**	**0.45**	-	-	**860.66**

12. Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- in current accounts	39.58	30.92
- in cash credit account	22.23	49.70
- in Exchange earner's foreign currency accounts	13.67	13.84
- Deposits with original maturity of less than 3 months	3.40	64.92
Cash in hand	0.30	0.16
Total	**79.18**	**159.54**

13. Bank balance other than Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Other bank balances		
In deposit accounts (with original maturity of more than 3 months and less than 12 months)*	217.97	65.19
Total	**217.97**	**65.19**

* Includes a deposit of ₹14.91 million as on 31 March 2023 (₹62.62 million as on 31 March 2022) provided to banks against bank guarantee and cash credit facility.

Notes to the consolidated financial statements

14. Loans
Carried at amortised cost

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured, considered good		
Loans to employees	4.28	3.31
Total	**4.28**	**3.31**

15. Equity Share capital

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
Equity shares		
35,000,000 (31 March 2022: 35,000,000) equity shares of ₹10 each	350.00	350.00
Total	**350.00**	**350.00**

Issued, subscribed and fully paid-up shares

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Equity share		
30,437,904 (31 March 2022: 30,437,904) equity shares of ₹10 each, fully paid up	304.38	304.38
Total	**304.38**	**304.38**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

(₹ in million)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	30,437,904	304.38	30,437,904	304.38
Issued during the year	-	-	-	-
At the end of the year	**30,437,904**	**304.38**	**30,437,904.00**	**304.38**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the consolidated financial statements

(c) During the year ended 31 March 2022, the Company had completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹10 each at a price of ₹542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company had listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

(d) Details of shareholders holding more than 5% shares of a class of shares in the Company: -

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of ₹10 each fully paid up held by:				
Evergraph Holdings Pte. Ltd.	10,600,370	34.83%	10,600,370	34.83%
K. A. Joseph	4,651,244	15.28%	4,651,244	15.28%
Axis Mutual Fund	1,377,351	4.53%	2,156,994	7.09%

(e) The Company has neither allotted any shares as fully paid up pursuant to contracts without payments being received in cash or by way of bonus shares nor bought back any shares for the period of five years immediately preceding 31 March 2023.

(f) Details of shareholdings by the Promoter's of the Company: -

Particulars	As at 31 March 2023		As at 31 March 2022		% Change in the year
	Number of shares	% holding in the class	Number of shares	% holding in the class	
Equity shares of ₹10 each fully paid up held by:					
Evergraph Holdings Pte. Ltd.	10,600,370	34.83%	10,600,370	34.83%	0.00%
K. A. Joseph	4,651,244	15.28%	4,651,244	15.28%	0.00%

16. Other Equity

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium [refer Note (a) below]	39.41	39.41
Retained earnings [refer Note (b) below]	3,916.63	3,244.10
General reserve [refer Note (c) below]	8.85	8.85
Share option outstanding account [refer Note 39 and refer Note (d) below]	38.83	13.95
Other comprehensive income [refer Note (e) below]	(11.71)	(5.98)
Total	**3,992.01**	**3,300.33**

Nature and purpose of other reserves

a) Securities premium account:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve can be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	39.41	39.41
Increase during the year	-	-
Closing balance	**39.41**	**39.41**

Notes to the consolidated financial statements

b) Retained earnings:

Retained earnings comprises of prior and current year's undistributed earnings after tax.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	3,244.10	2,805.02
Profit for the year	672.53	550.18
Dividend paid [refer note below]	-	(111.10)
Closing balance	**3,916.63**	**3,244.10**

During the year ended 31 March 2023, the Group has not declared or paid any dividend. During the year ended 31 March 2022, the Board of Directors of the Company at their meeting held on 9 April 2021 and 24 September 2021 respectively had declared and paid an interim dividend of ₹1.65 per equity share and ₹2.00 per equity share respectively (face value of ₹10.00 each) aggregating to ₹111.10 million.

c) General reserve:

This represents appropriation of profit by the Group. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	8.85	8.85
Increase during the year	-	
Closing balance	**8.85**	**8.85**

d) Share option outstanding account:

The Group has share option schemes under which options to subscribe for the Company's shares have been granted to employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of employee benefit expense.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	13.95	-
Increase during the year [refer Note 39]	24.88	13.95
Closing balance	**38.83**	**13.95**

e) Other comprehensive income:

Differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' as other comprehensive income net of taxes.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurement of net defined benefit liability or asset		
Opening balance	(5.98)	(5.50)
Increase during the year	(5.72)	(0.48)
Closing balance	**(11.70)**	**(5.98)**

Notes to the consolidated financial statements

17. Borrowings

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Secured loan		
Loan from bank repayable on demand		
Working capital demand loan [refer Note (b) below]	120.00	-
Unsecured loan		
From bank		
Bill discounting facility from bank [refer Note (a) below]	83.73	125.85
Total current borrowings	**203.73**	**125.85**

(a) The Group has availed bill discounting facility (with recourse) from Banks which carries interest in the range of 6.48% to 10.11% per annum (31 March 2022: 5.95% to 10.00% per annum) and is payable within 45 days to 90 days from the date of discounting of bills.

(b) The Group has availed working capital demand loan from Citi Bank which carries interest of 1 month treasury bill + 175 basis points per annum (31 March 2022: Nil).

(c) Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

(d) The Group is filing monthly statement of inventories, trade receivables and trade payables to Banks for cash credit facility and working capital loan (unutilised as at 31 March 2023 by the Group). The below is summary of quarterly reconciliation of statement filed to the banks and books of accounts:

For the period 1 April 2022 to 31 March 2023 (₹ in million)

Name of bank	Quarter ended (FY 2022-23)	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Parent Company (S.J.S. Enterprises Limited)						
Citi Bank	31 March 2023	Inventory	319.85	319.85	-	-
		Trade receivables	551.11	550.99	0.12	No material variance
Citi Bank	31 December 2022	Inventory	341.52	341.52	-	-
		Trade receivables	500.74	500.74	-	-
Citi Bank	30 September 2022	Inventory	347.67	347.63	0.04	No material variance
		Trade receivables	635.76	635.45	0.31	No material variance
Citi Bank	30 June 2022	Inventory	315.89	315.89	0.00	-
		Trade receivables	609.82	609.44	0.38	No material variance
Subsidiary Company (Exotech Plastics Private Limited)						
ICICI Bank	31 March 2023	Inventory	164.82	164.82	(0.01)	No material variance
		Trade receivables	359.62	359.62	0.01	No material variance
		Trade payables	226.48	226.48	-	-
ICICI Bank	31 December 2022	Inventory	167.29	167.29	-	-
		Trade receivables	329.28	329.28	-	-
		Trade payables	190.78	190.79	(0.01)	No material variance
ICICI Bank	30 September 2022	Inventory	162.56	162.56	-	-
		Trade receivables	275.74	275.74	-	-
		Trade payables	197.99	197.99	-	-
ICICI Bank	30 June 2022	Inventory	149.82	149.82	-	-
		Trade receivables	239.02	239.02	-	-
		Trade payables	185.26	185.26	-	-

Notes to the consolidated financial statements

For the period 1 April 2021 to 31 March 2022 (₹ in million)

Name of bank	Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Parent Company (S.J.S. Enterprises Limited)						
Citi Bank and State Bank of India	31 March 2022	Inventory	279.67	279.69	(0.02)	No material variance.
		Trade receivables	586.99	591.95	(4.96)	The variance is due details submited to bank prior to year end.
Citi Bank and State Bank of India	31 December 2021	Inventory	304.81	304.81	-	-
		Trade receivables	466.96	463.67	3.29	Advance from customer was netted off while submitting the return to bank.
Citi Bank	30 September 2021	Inventory	317.05	347.90	(30.85)	Variance is due to certain inventories reported twice.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
State Bank of India	30 September 2021	Inventory	317.05	317.05	-	-
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
Citi Bank and State Bank of India	30 June 2021	Inventory	327.38	325.09	2.29	The variance is on account of tool stock not included.
		Trade receivables	456.49	452.81	3.68	Advance from customer was netted off while submitting the return to bank.
Subsidiary Company (Exotech Plastics Private Limited)						
ICICI Bank	31 March 2022	Inventory	135.90	135.30	0.60	Goods in transit not adjusted.
		Trade receivables	271.29	228.94	42.35	Bill discounted adjusted against the trade receivable.
		Trade payables	165.47	157.17	8.30	Expense payable and capital creditors not adjusted.
ICICI Bank	31 December 2021	Inventory	122.31	121.72	0.59	Goods in transit not adjusted.
		Trade receivables	214.05	187.26	26.79	Bill discounted adjusted against the trade receivable.
		Trade payables	121.28	110.44	10.84	Expense payable and capital creditors not adjusted.
ICICI Bank	30 September 2021	Inventory	113.76	113.17	0.59	Goods in transit not adjusted.
		Trade receivables	217.56	192.18	25.38	Bill discounted adjusted against the trade receivable.
		Trade payables	143.50	125.90	17.60	Expense payable, advance to supplier and capital creditors not adjusted.
ICICI Bank	30 June 2021	Inventory	122.93	117.27	5.66	Goods in transit not adjusted.
		Trade receivables	156.64	128.24	28.40	Bill discounted adjusted against the trade receivable.
		Trade payables	96.56	75.44	21.12	Expense payable, advance to supplier and capital creditors not adjusted.

Notes to the consolidated financial statements

18. Trade payables

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises [refer Note (ii) below]	166.30	150.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	259.03	157.81
Total	**425.33**	**308.21**

Terms and conditions of above trade payables:

(i) For explanation of Group's credit risk management - refer Note 34

(ii) Disclosure required under section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal	165.88	149.98
- Interest	0.42	0.42
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	-	-
- Interest	-	112.29
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.42	0.42
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors / suppliers.

Notes to the consolidated financial statements

(iii) Ageing for trade payables:

(₹ in million)

Particulars	Accrued expenses	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2023							
Micro enterprises and small enterprises	-	165.13	0.75	0.42	-	-	**166.30**
Creditors other than micro enterprises and small enterprises	25.31	188.67	43.40	0.52	-	1.13	**259.03**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**25.31**	**353.80**	**44.15**	**0.94**	**-**	**1.13**	**425.33**
31 March 2022							
Micro enterprises and small enterprises	-	144.75	5.65	-	-	-	**150.40**
Creditors other than micro enterprises and small enterprises	18.06	125.69	12.91	1.10	-	0.05	**157.81**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**18.06**	**270.44**	**18.56**	**1.10**	**-**	**0.05**	**308.21**

19. Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Others		
Employee related liabilities	65.74	44.20
Capital creditors	10.90	10.86
Discount payable	73.25	77.69
Other liability	-	0.15
IPO expenses payable [refer Note 36]	-	38.21
Total	**149.89**	**171.11**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 34.

Notes to the consolidated financial statements

20. Other liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Statutory liabilities	79.49	24.99
Advance received from customers	11.84	16.60
Total	**91.33**	**41.59**

21. Provisions

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Provision for employee benefits		
Provision for gratuity [refer Note 40]	7.02	-
Provision for compensated absence	4.64	1.78
Others		
Provision for sales return*	4.98	5.44
Provision for goods and service tax [refer Note (a) below]	0.95	0.95
Total	**17.59**	**8.17**

*This represents provision made for expected sales returns. Revenue is adjusted for the expected value of return and claims. It is expected to be utilised within 12 months from the end of the year. The provision is based on estimates made of historical data.

Movement in provisions for year ended 31 March 2023

(₹ in million)

Particulars	As at 01 April 2022	Assumed in acquisition [refer Note 42(b)]	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2023
Provision for sales return	5.44	-	4.09	(4.05)	(0.50)	4.98
Provision for goods and service tax	0.95	-	-	-	-	0.95
Total	**6.39**	**-**	**4.09**	**(4.05)**	**(0.50)**	**5.93**

Movement in provisions for year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Assumed in acquisition [refer Note 42(b)]	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2022
Provision for claim	2.21	-	-	(1.87)	(0.34)	-
Provision for sales return	10.41	1.77	5.44	(4.65)	(7.53)	5.44
Provision for goods and service tax	-	-	0.95	-	-	0.95
Total	**12.62**	**1.77**	**6.39**	**(6.52)**	**(7.87)**	**6.39**

a) During the year ended 31 March 2022, the Group had received an Intimation of Liability u/s 74(5) of CGST Act, 2017 amounting to ₹9.23 million, with regards to ineligible input tax credit availed against tax invoices issued by M/s V Accurate Management Services Private Limited during the period July 2017 to December 2018. The Group has been legally advised that the Group has a good case on merit as it has genuinely availed the services and paid GST to the vendor. However, as a matter of prudence, the Group had made a provision amounting to ₹9.23 million during the previous year as per Note 8 and Note 21.

Notes to the consolidated financial statements

22. Leases

The Group has recognised right-of-use assets and lease liabilities as below:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Right of use assets – land	128.75	191.60
Lease liabilities		
Non-current	73.35	140.83
Current	27.78	27.76

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at date of commencement of lease. The weighted-average rates considered in the range of 8.30% p.a. to 10.00% p.a. as on 31 March 2023 (8.30% p.a. to 10.00% p.a. as on 31 March 2022).

Right-of-use assets: The details of the right-of-use asset held by the Group is as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	191.60	204.46
Depreciation charge for the year	(13.32)	(12.86)
Modification during the year [refer Note i below]	(49.53)	-
Closing balance	**128.75**	**191.60**

The Group has certain warehouse and guest house on lease with contract terms of less than one year. These leases are classified as short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Lease liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	168.59	179.18
Interest on lease liabilities	12.11	17.21
Payment of lease liabilities	(18.54)	(27.80)
Lease modifications during the year [refer Note i below]	(61.03)	-
Closing balance	**101.13**	**168.59**

Carrying amount of lease liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities - current	27.78	27.76
Lease liabilities - non current	73.35	140.83
Total	**101.13**	**168.59**

Notes to the consolidated financial statements

Amounts recognised in statement of profit and loss:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	12.11	17.21
Depreciation of right-of-use assets	13.32	12.86
Expenses relating to short-term leases	6.86	5.45
Unwinding of interest on security deposit	(0.77)	(0.55)
Gain on modification of lease contract [refer Note i below]	(14.15)	-
Total	**17.37**	**34.97**

Amounts recognised in statement of cashflows:

During the year, the Group had cash outflow of ₹18.54 million (31 March 2022 ₹27.77) million related to right-of-use asset. During the year, for lease including cash outflow of short-term leases and leases of low-value assets, the Group had a cash outflow of ₹6.86 million (31 March 2022 ₹5.45 million).

The table below provides details regarding the undiscounted contractual maturities of lease liabilities as at 31 March 2023 and 31 March 2022.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	27.78	27.77
one to five years	97.36	138.85
more than five years	0.40	90.64
Total	**125.54**	**257.26**

Note (i)

During the year ended 31 March 2023, the Group has renewed its lease arrangement with Indo Global Ranjangaon Infrastructure and Utility Services Private Limited ("lessor') with modification in certain terms and conditions of the lease agreement. Pursuant to this, the Group has accounted the modification in accordance with Ind AS 116 "Leases" and remeasured its right to use and lease liability.. The profit and loss account impact due the accounting is as below:

(₹ in million)

Particulars	Amount of Gain/ (Loss) booked in Profit and Loss account
Lease liability	61.03
ROU Assets	(49.53)
Security deposit	2.65
Total	**14.15**

Notes to the consolidated financial statements

23. Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers		
Sale of products	4,307.67	3,663.57
Sale of services	12.56	26.65
Other operating revenues:		
Export incentive benefit	3.56	2.56
Scrap sales	6.70	5.78
Revenue from operations	**4,330.49**	**3,698.56**

(a) Disaggregate revenue information

(i) Disaggregation by Primary geographical markets

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Exports:		
Sale of product	309.18	452.15
Sale of services	5.90	13.37
Domestic:		
Sale of product	3,998.49	3,211.41
Sale of services	6.66	13.29
Total	**4,320.23**	**3,690.22**

(ii) Disaggregation by timing of revenue recognition

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers		
Goods or services transferred at point in time	4,320.23	3,690.22
Other operating revenues:		
Goods or services transferred at point in time	10.26	8.34
Total	**4,330.49**	**3,698.56**

(b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contract price	4,386.65	3,695.64
Addition / Reduction towards discount (net)	(29.28)	(1.01)
Adjustment / Reduction towards sales return (net)	(49.70)	(31.06)
Revenue from contract with customers	**4,307.67**	**3,663.57**

Notes to the consolidated financial statements

(c) Contract balances

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables (including unbilled revenue)	905.08	858.01
Advance from customers	(11.84)	(16.60)

24. Other Income

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income:		
on deposits with bank	4.35	16.19
on others	20.67	0.93
Other non-operating income:		
Gain on current investment measured at fair value through profit or loss	17.28	4.33
Gain on sale of current investments measured at fair value through profit or loss, net	27.35	4.76
Net gain on foreign currency transactions	15.02	10.25
Income from government grant	0.43	3.86
Profit on sale of property plant and equipment, net	0.79	-
Modification of lease contract [refer Note 22(i)]	14.15	-
Miscellaneous income	1.48	1.29
Total	**101.52**	**41.61**

25. Cost of material consumed

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of materials at the beginning of the year#	171.25	200.69
Add: Purchases during the year *	1,936.49	1,561.44
Less: Inventory of materials at the end of the year#	165.09	171.25
Total	**1,942.65**	**1,590.88**

Net of provision for obsolescence
* Purchase includes tooling costs

26. Changes in inventory of finished goods, work-in-progress and stores and spares

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock		
Finished goods	127.73	125.11
Stores and spares	6.45	6.28
Work-in-progress	110.08	112.77
	244.26	**244.16**

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Closing Stock		
Finished goods	181.51	127.73
Stores and spares	5.92	6.45
Work-in-progress	131.62	110.08
	319.05	**244.26**
Changes in inventory of finished goods, work-in-progress and stores and spares	**(74.79)**	**(0.10)**

27. Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	450.91	418.37
Expenses related to post-employment benefit plans-gratuity [refer Note 40]	12.15	9.89
Expenses related to compensated absences	6.37	4.85
Contribution to provident fund and other fund	18.24	16.59
Share based payment [refer Note 39]	24.88	13.95
Staff welfare expenses	48.74	46.76
Total	**561.29**	**510.41**

28. Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on:		
Borrowings from banks	10.76	12.61
Income tax	0.15	0.06
Lease liabilities	12.11	17.21
Other borrowing costs	0.09	0.32
Total	**23.11**	**30.20**

29. Depreciation and amortization expense

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment [refer Note 3]	201.56	184.54
Amortisation of intangible assets [refer Note 4]	18.13	18.34
Depreciation of right of use assets [refer Note 22]	13.32	12.86
Total	**233.01**	**215.74**

Notes to the consolidated financial statements

30. Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Subcontracting charges	328.56	225.68
Consumption of stores, spare and other supplies	36.68	21.92
Sales commission	-	-
Power and fuel	109.08	97.62
Job work charges	17.07	19.51
Freight charges	75.90	59.27
Repairs and maintenance		
- plant and machinery	54.74	50.09
- building	2.54	5.39
- others	19.58	11.67
Rent	6.86	5.45
Legal and professional [refer Note (a) below]	43.41	33.55
Rates and taxes	13.06	9.03
Travel and conveyance	36.36	30.09
Housekeeping charges	26.12	24.51
Corporate social responsibility [refer Note 37]	14.12	14.41
Security charges	-	-
Sales promotion expenses	6.32	3.75
Insurance	10.90	10.53
Printing and stationery	5.88	4.57
Bank charges	2.26	4.21
Communication	3.40	2.77
Loss on sale and write off of property, plant and equipment, net	1.46	2.74
Bad debts written-off	0.30	1.00
Loss allowances on financial assets, net	11.87	(0.94)
Provision for doubtful advances	-	9.23
Donation	0.24	0.08
Net loss on foreign currency transactions	-	-
Miscellaneous expenses	8.33	7.52
Loss on financial asset	-	-
Total	**835.04**	**653.65**

(a) Payment to auditors (excluding applicable taxes):

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Audit fee	9.65	8.85
Tax audit fee	0.35	0.35
Audit related services	-	3.50
Reimbursement of expenses	1.14	0.57
Total	**11.14**	**13.27**

Notes to the consolidated financial statements

31. Tax expenses

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Amount recognised in the statement of profit and loss		
Current tax	240.19	204.39
Deferred tax credit	(1.02)	(15.18)
Income tax expense reported in the statement of profit and loss	**239.17**	**189.21**
b) Income tax recognised in other comprehensive income		
On re-measurement of defined benefit obligation	1.84	0.28
Income tax charges to OCI	**1.84**	**0.28**
c) Reconciliation of tax expense and tax based on accounting profit:		
Profit before income tax expense	911.70	739.39
Tax at the company's domestic tax rate of 25.17% / 29.12% (31 March 2022: 25.17%/ 27.82%)	238.17	190.05
Tax effect of:		
Expenditure for which deduction is not allowed under Income Tax Act,1961	3.80	3.88
Tax effect on donation	0.06	0.02
Lower tax rate on capital gains	(0.19)	-
Other deductions	(2.67)	(4.74)
Income tax expense	**239.17**	**189.21**

32. Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million, except per equity share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Reconciliation of earnings		
Profit after tax attributable to equity holders of the Group (a)	672.53	550.18
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904	30,437,904
Basic Earning per share (in ₹) (a/b)	22.10	18.08
Diluted EPS		
Profit after tax attributable to equity holders of the Group for diluted EPS (c)	672.53	550.18
Weighted average number of shares outstanding during the year for diluted EPS (d)	30,841,334	30,729,866
Diluted Earning per share (in ₹) (c/d)	21.81	17.90
Reconciliation of basic and diluted shares used in computing earnings per share:		
Weighted average number of shares outstanding during the year for diluted EPS (b)	30,437,904	30,437,904
Add: Potential equity shares on employee stock options	403,430	291,962
Total weighted average number of shares outstanding during the year for diluted EPS (d)	30,841,334	30,729,866

Notes to the consolidated financial statements

33. Financial instruments - fair values and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2023:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2023	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	4.28	-	-	-	-
Trade receivables	905.08	-	-	-	-
Cash and cash equivalents	79.18	-	-	-	-
Bank balance other than cash and cash equivalents	217.97	-	-	-	-
Other financial assets (non-current and current)*	81.13	-	-	-	-
Investment in bonds, commercial papers and others	426.57				
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	955.13	-	955.13	-	955.13
Total financial assets	**2,669.34**	**-**	**955.13**	**-**	**955.13**
Financial liabilities measured at amortised cost					
Lease liabilities	101.13	-	-	-	-
Borrowings	203.73	-	-	-	-
Trade payables	425.33	-	-	-	-
Other financial liabilities (non-current and current)	149.89	-	-	-	-
Total financial liabilities	**880.08**	**-**	**-**	**-**	**-**

*Investment in equity shares of associate enterprise is not appearing as financial asset in the table above being investment in associates accounted under Ind AS 28, which is scoped out under Ind AS 109 “Financial Instruments”.

Notes to the consolidated financial statements

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2022:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2022	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	3.31	-	-	-	-
Trade receivables	858.01	-	-	-	-
Cash and cash equivalents	159.54	-	-	-	-
Bank balance other than cash and cash equivalents	65.19	-	-	-	-
Other financial assets (non-current and current)	63.24	-	-	-	-
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	784.42	-	784.42	-	784.42
Total financial assets	**1,933.71**	**-**	**784.42**	**-**	**784.42**
Financial liabilities measured at amortised cost					
Lease liabilities	168.59	-	-	-	-
Borrowings	125.85	-	-	-	-
Trade payables	308.21	-	-	-	-
Other financial liabilities (non-current and current)	171.11	-	-	-	-
Total financial liabilities	**773.76**	**-**	**-**	**-**	**-**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement at the reporting date.

Financial assets:

The Group has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

Notes to the consolidated financial statements

Current investments: Fair value of unquoted mutual funds units are based on the Net Asset Value (NAV) at the reporting date.

Financial liabilities:
Borrowing: It includes cash credit and bill discounting facilities (current borrowings). Current borrowings are classified and subsequently measured in the consolidated financial statements at amortised cost. Considering that the interest rate on current borrowings is reset on a periodic basis, the carrying amount of the current borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value, as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values .

34. Financial Risk Management

The Group's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

Risk management

The Parent Company's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, 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 Group's activities. The Group, 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 responsibilities.

The Parent Company's Audit Committee overseas how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversite role by the internal auditor.

(i) Credit Risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Group are spread across diverse industries and geographical areas. The Group limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer.

Notes to the consolidated financial statements

Expected credit loss assessment for trade receivables as at 31 March 2023 and 31 March 2022 is as follows:
The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2023 amounting to ₹905.08 million (31 March 2022 ₹ 858.01). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	2.65	1.27
Assumed in acquisition	-	2.32
Net measurement of loss allowance	11.87	(0.94)
Balance as at the end of the year	**14.52**	**2.65**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

(₹ in million)

As at 31 March 2023	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	729.40	0.35%	2.53
0-90 days	155.48	1.13%	1.75
91-180 days	19.33	6.62%	1.28
181-270 days	5.80	20.34%	1.18
271-365 days	4.96	63.47%	3.15
> 365 days	4.63	100.00%	4.63
Balance as at the end of the year	**919.60**		**14.52**

(₹ in million)

As at 31 March 2022	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	725.64	0.18%	1.28
0-90 days	123.89	0.33%	0.41
91-180 days	9.34	2.78%	0.26
181-270 days	1.02	8.82%	0.09
271-365 days	0.32	50.00%	0.16
> 365 days	0.45	100.00%	0.45
Balance as at the end of the year	**860.66**		**2.65**

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligation as they become due. The Group'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 Group's reputation. Management monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Group.

Notes to the consolidated financial statements

In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangement:

The Group maintains the following line of credit:

(i) The Group has availed bill discounting facility (with recourse) from Banks which carries interest in the range of 6.48% to 10.11% per annum (31 March 2022: 5.95% to 10.00% per annum) and is payable within 45 days to 90 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements.

As at 31 March 2023

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	203.73	203.73	203.73	-	-
Lease liabilities	101.13	125.54	27.78	58.86	38.90
Trade payables	425.33	425.33	425.33	-	-
Other financial liabilities	149.89	149.89	149.89	-	-
Total	**880.08**	**904.49**	**806.73**	**58.86**	**38.90**

As at 31 March 2022

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	125.85	125.85	125.85	-	-
Lease liabilities	168.59	257.27	27.77	83.31	146.19
Trade payables	308.21	308.21	308.21	-	-
Other financial liabilities	171.11	171.11	171.11	-	-
Total	**773.76**	**862.44**	**632.94**	**83.31**	**146.19**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk as discussed below:

A) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Group. The functional currency of the Group is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR etc.

Management monitors the movement in foreign currency and the Group's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Group decides to exchange its foreign currency.

Notes to the consolidated financial statements

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables	USD	1.10	90.79	1.83	139.04
	EURO*	-	-	-	-
Trade payables	USD	0.34	28.01	-	-
	EURO *	0.02	2.55	-	0.08
	JPY	5.23	3.24	-	-
Bank accounts - EEFC	USD	0.17	13.61	0.18	13.71
	EURO*	-	0.06	-	0.13
Creditors for capital goods	USD	-	-	0.08	6.35

* The amount's are less than ₹0.01 million / €0.01 million and hence disclosed as (-)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO and JPY against INR at 31 March 2023 and 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	0.76	(0.76)	0.57	(0.57)
EURO (1% movement)	(0.02)	0.02	(0.02)	0.02
JPY (1% movement)	0.03	(0.03)	0.02	(0.02)
31 March 2022				
USD (1% movement)	1.46	(1.46)	1.09	(1.09)
EURO (1% movement)*	-	-	-	-

* The amount's are less than ₹0.01 million and hence disclosed as (-)

Notes to the consolidated financial statements

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowings comprises of bill discounting which carries variable rate of interest, which expose it to interest rate risk.

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	203.73	76.97

Sensitivity analysis (₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	25 basis points Increase	25 basis points Decrease	25 basis points Increase	25 basis points Decrease
31 March 2023				
Variable rate borrowings	0.51	(0.51)	0.38	(0.38)
31 March 2022				
Variable rate borrowings	0.19	(0.19)	0.14	(0.14)

35. Capital management

The Group's policy is to maintain stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Group monitors capital using a ratio of 'adjusted net debt' to equity'. For the purpose of Group's capital management, adjusted net debt is defined as short-term borrowings less cash and cash equivalent, bank balance other than cash and cash equivalents and current investments and total equity includes issued capital and all other equity reserves.

The Group's adjusted net debt equity ratio are as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings	203.73	125.85
Less: Cash and cash equivalents and other bank balances	297.15	224.73
Less: Current Investments	1,351.03	784.82
Adjusted net debt	**(1,444.45)**	**(883.70)**
Total equity	4,296.39	3,604.71
Net Debt to Equity Ratio	**-**	**-**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

Notes to the consolidated financial statements

36. Related Party Disclosure

(i) Name of related parties and description of relationship:

Holding company	1. Evergraph Holdings Pte. Limited (till 14 November 2021) *
Entity having a significant influence	1. Evergraph Holdings Pte. Limited (w.e.f. 15 November 2021)
Associate Company	Suryaurja Two Private Limited (w.e.f. 13 April 2022)
Key management personnel (KMP)	1. Mr. K.A. Joseph (Managing Director and Shareholder)
	2. Mr. Sanjay Thapar (Exectuive director, CEO and Shareholder)
	3. Mr. Kazi Arif Uz Zaman (Director)
	4. Mr. Vishal Sharma (Director w.e.f. 5 April 2021)
	5. Mr. Kevin Joseph (Director) (w.e.f. 19 July 2021)
	6. Mr. Amit Kumar Garg (Chief Financial Officer) (w.e.f. 12 July 2021 and till 4 March 2022)
	7. Mr. Mahendra Kumar Naredi (Chief Financial Officer) (w.e.f. 4 August 2022).
	8. Mr. Thabraz Hushain. W (Company secretary and compliance officer)
	9. Mr. Ramesh Jain (Independent Director w.e.f. 20 July 2021)
	10. Mrs. Veni Thapar (Independent director) (w.e.f. 12 July 2021)
	11. Mr. Mathias Frenzel (Independent director) (w.e.f. 06 July 2021)
Transaction with the parties in which directors are interested	1. Sanders Consulting Private Limited (Shareholder)
Relative of key management personnel	1. Mrs. Daisy Joseph (Wife of Mr. K. A. Joseph)
	2. Ms. Nikita Joseph (Daughter of Mr. K. A. Joseph)

*During the year ended 31 March 2022, the Company had completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹10 each at a price of ₹542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company had listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding Company.

(ii) The following table is the summary of significant transactions with related parties by the Group:

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Evergraph Holdings Pte. Limited	Interim dividend paid*	-	86.51
Mr. K.A. Joseph	Interim dividend paid*	-	23.04
Mrs. Daisy Joseph	Interim dividend paid*	-	0.29
Sanders Consulting Private Limited	Interim dividend paid*	-	1.26
Mr. Kevin K Joseph	Interim dividend paid*#	-	-
Ms. Nikita Joseph	Interim dividend paid*#	-	-
Mr. Sanjay Thapar	Interim dividend paid*#	-	-
Evergraph Holdings Pte. Limited	IPO expenses incurred on behalf of	-	291.33
Mr. K. A. Joseph	IPO expenses incurred on behalf of	-	39.47
Evergraph Holdings Pte. Limited	Expenses incurred on behalf of	47.91	-
K. A. Joseph	Reimbursement of expenses to the Company	-	36.69
Mr. Ramesh C Jain	Sitting fees	1.43	1.55
Mrs. Veni Thapar	Sitting fees	1.50	1.15
Mr. Mathias Frenzel	Sitting fees	0.72	1.78

* Gross of Tax Deducted at Source

The amount's are less than ₹0.01 million and hence disclosed as (-)

Notes to the consolidated financial statements

(iii) Compensation of Key Management Personnel ('KMP')*

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022
Mr. K.A. Joseph	Salaries, wages and bonus	26.56	26.53
Mr. Sanjay Thapar	Salaries, wages and bonus	34.66	26.53
Mr. Kevin K Joseph	Salaries, wages and bonus	1.20	0.84
Mr. Amit Kumar Garg	Salaries, wages and bonus	-	5.47
Mr Mahendra Kumar Naredi	Salaries, wages and bonus	5.50	-
Mr. Thabraz Hushain. W	Salaries, wages and bonus	1.45	1.34

*As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the group as a whole, the amount pertaining to the directors are not included above.

Terms and conditions

All transactions with these related parties are at arm's length basis.

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

(₹ in million)

Particulars	Type of transaction	As at 31 March 2023	As at 31 March 2022
Evergraph Holdings Pte. Limited	IPO expenses recoverable*	-	1.86
K. A. Joseph	IPO expenses recoverable*	-	9.59
Evergraph Holdings Pte. Limited	Expense reimbursable receivable	47.91	-

*The management of the Company, vide its board resolution dated 30 June 2021, passed a resolution to list the Company through ""offer for sale of securities by certain shareholders"". In accordance with this plan, the Company had filed its Draft Red Herring Prospectus (DRHP) on 28 July 2021. Subsequently, the Company got listed on NSE and BSE on 15 November 2021.

As per the arrangement with the Selling Shareholders, the expense related to "offer for sale" was agreed to be borne by the respective Shareholders in their selling shares ratio. Accordingly, the entire expenses incurred was recorded as a receivable (no charge to the statement of profit and loss).

37. Corporate Social Responsibility ('CSR') expenditure

Details of CSR expenditure are as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Amount required to be spent by the Group during the year	14.09	13.16
Amount spent during the year		
- construction / acquisition of any asset	3.59	4.33
- on purpose other than above	10.50	8.83
Shortfall at the end of the year	-	-
Amount spent on account of previous year shortfall		
- construction / acquisition of any asset	-	-
- on purpose other than above	-	4.33
Total of previous years shortfall	-	-
Transaction with the related party	Nil	Nil
Movements in provisions	NA	NA
Nature of CSR activity	Promoting education, Sports, Save drinking water, Healthcare, Sanitation, Rural development and Eracading hunger	

Notes to the consolidated financial statements

38. Commitments and Contingent Liabilities

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Capital Commitments		
Estimated amounts of contracts remaining to executed on capital account and not provided for	59.48	39.17
ii) Contingent liabilities		
Guarantee deposits with banks	2.72	1.35
Claim towards freehold land [refer Note (a) below]	20.40	20.40
iii) Other Claims against the Group not acknowledged as debts		
Income tax [refer Note (b) below]	17.11	-

(a) The Group had purchased a freehold land of 37 guntas consisting of Schedule A (19 guntas) and Schedule B (17 guntas) in the year 2001. On transition to Ind AS, the Group has elected to fair value the freehold land as deemed cost at ₹278.10 million. The Group is in legal dispute with one of the female legal heir of the erstwhile owner of the freehold land for separate possession of 1/7 share of Schedule A of the freehold land. The above amount of ₹20.40 million has been arrived at basis 1/7 share of fair value of Schedule A of the freehold land, as the Group is contesting this claim in the court of law. Outflows and other consequential payments, if any, arising out of this claim would depend on the outcome of this dispute with the legal heir.

(b) The Group has recieved a demand notice for the assessment year 2020-21 for additional tax of ₹17.11 million from the Income tax department for the disallownace of non compete fees paid to the commission agents as per termination agreement which is considered as capital expenditure. The Group has filed an appeal against this order and the appeal is pending with the commissioner appeals.

39. Employee Share based payment plan

a) Description of share-based payment plan

The 'SJS Enterprises - Employee Stock Option Plan 2021' ('SJS ESOP -2021') plan was approved by the shareholders at the extraordinary general meeting held on 14 July 2021 and subsequently by Nomination and remuneration committee vide their meeting held on 19 July 2021. The Plan entitles the employees with a right but not an obligation to purchase or subscribe at a future date the shares underlying the option at a pre-determined price, subject to compliance with vesting conditions; all exercised options shall be settled as provided under the SJS ESOP-2021 plan. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price as mentioned in the ESOP Offer letter.

The equity shares covered under these options vest at various dates over a period ranging from three to five years from the date of grant based on the length of service completed by the employee from the date of grant.

The exercise period is six months from the respective date of vesting or within thirty days from the resignation of employee whichever is earlier.

Notes to the consolidated financial statements

b) The reconciliation of the share options under the share option plan are as follows:

(₹ in million)

Particulars	As at 31 March 2023	Weighted average exercise price	As at 31 March 2022	Weighted average exercise price
Outstanding at the beginning of the year	1,199,500	263.86	-	263.86
Granted during the year*	159,000	297.97	1,389,000	263.86
Forfeited during the year**	(46,000)	270.47	(189,500)	263.86
Outstanding at the end of the year	1,312,500	267.76	1,199,500	263.86
Exercisable at the end of the year	-		-	

(i) The options outstanding as at 31 March 2023 have an exercise price of ₹263.86, ₹289.18 and 324.14 each. (31 March 2022: 263.86).

(ii) The weighted average remaining contractual life is of 2.39 years (31 March 2022: 3.28 years).

(iii) *The options granted during the year include 51,500 options (31 March 2022: Nil) granted to the employees of Exotech Plastics Private Limited (subsidiary).

(iv) **The options forfieted during the year include 12,000 options (31 March 2022: Nil) forfieted towards the employees of Exotech Plastics Private Limited (subsidiary).

c) The fair value per option is measured based on the Black-Scholes option pricing model, which is as below:

Measurement of fair value	Number of options	Range of fair value per option
As on 31 March 2023	1,312,500	₹53.46 to ₹289.19
As on 31 March 2022	1,199,500	₹53.46 to ₹68.74

d) The fair value per options mentioned above is calculated on the grant date using the Black-Scholes option pricing model with the following assumptions:

(₹ in million)

Assumptions	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average share price on the date of grant (₹)	285.08	263.86
Exercise Price (₹)	263.86, 289.18 and 324.14	263.86
Risk free interest rate	5.18% to 7.25%	5.18% to 5.96%
Dividend yield	0.78% to 1.52%	1.52%
Expected volatility	18.00% to 49.92%	18.00% to 21.06%
Expected life	2.50 years to 5.50 years	3.50 years to 5.50 years

Total employee compensation cost pertaining to SJS ESOP - 2021 during the year is ₹24.88 million (₹13.95 million as on 31 March 2022)

Notes to the consolidated financial statements

40. Assets and liabilities relating to employee benefits

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid gratuity	-	7.55
Total employee benefit assets	**-**	**7.55**
Non-current	-	7.55
Current	-	-

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for compensated absence	4.64	1.78
Provision for gratuity	7.02	-
Total employee benefit liabilities	**11.66**	**1.78**
Non-current	-	-
Current	11.66	1.78

The Group operates the following post-employment defined benefit plan

(a) Defined benefit plans (funded):

The Group operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Group to actuarial risks., such as longevity risk. currency risk, interest rate risk and market (investment) risk.

A. Funding

Group's gratuity scheme for employees is administered through trusts. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

B. Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined assets / liability and its components

Notes to the consolidated financial statements

Reconciliation of present value of the defined benefit asset / (liability)

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Obligation at the beginning of the year	119.81	103.31
Current service cost	12.77	10.79
Interest cost	8.32	7.16
Benefits paid	(4.06)	(2.51)
Actuarial losses on obligations recognised in recognised in Other Comprehensive Income (OCI)		
Changes in financial assumption	(1.67)	0.37
Experience adjustment	(0.52)	0.69
Changes in demographic assumtion	10.21	-
Obligation at the end of the year	**144.86**	**119.81**
Reconciliation of present value of the plan assets		
Plan assets at the beginning of the year at fair value	127.36	112.89
Interest income on plan assets	9.05	8.15
Contributions	5.15	8.71
Mortality charges and taxes	(0.11)	(0.09)
Benefits paid	(4.06)	(2.60)
Return on plan assets excluding interest income recognised in OCI	0.45	0.30
Plan assets at the end of the year at fair value	**137.84**	**127.36**
Net defined benefit (liability) / asset	**(7.02)**	**7.55**

C. (i) Expense recognised in the statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	12.77	10.79
Interest cost	8.32	7.16
Interest income	(9.05)	(8.15)
Mortality charges and taxes	0.11	0.09
Net gratuity cost	**12.15**	**9.89**

(ii) Remeasurement recognised in other comprehensive Income

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial loss on defined benefit obligation	8.02	1.06
Return on plan assets, excluding interest income	(0.45)	(0.30)
Total	**7.57**	**0.76**

Notes to the consolidated financial statements

D. Plan assets

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Insurance fund	137.84	127.36
	137.84	**127.36**

E. Defined benefit obligation

(i) Actuarial Assumption:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Rate of return on plan assets	6.80% to 7.13%	6.40% to 7.03%
Discounting rate	7.41% to 7.50%	6.80% to 7.13%
Future salary growth	9.00% to 12.5%	9.00% to 12.00%
Attrition rate	15.86% to 16.07%	12.00% to 15.47%
Weighted average duration of Defined benefit obligation (in years)	7.32 years to 8.70 years	6.84 years to 10.63 years
Retirement age	58 years	58 years

Notes:

(i) The discount rate is based on the prevailing market yield on Governmental Securities as at the balance sheet date for the estimate defined obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Projected benefit obligation on current assumption	144.87	119.81
Impact of change in discount rate by +1%	(10.23)	(8.56)
Impact of change in discount rate by -1%	11.59	9.75
Impact of change in salary rate by +1%	6.33	5.89
Impact of change in salary rate by -1%	(6.46)	(5.79)
Impact of change in employee turnover rate by +1%	(1.78)	(1.73)
Impact of change in employee turnover rate by -1%	1.93	1.92
Impact of change in mortality rate by +10%	(0.05)	(0.04)

Notes to the consolidated financial statements

F. Maturity profile of defined benefit obligation

The Defined benefit obligation shall mature after the year ended 31 March 2023 and 31 March 2022 as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
With in year 1	15.15	14.98
1 year to 2 years	12.12	9.86
2 years to 3 years	10.76	10.13
3 years to 4 years	8.61	9.10
4 years to 5 years	8.82	7.27
Over 5 years	89.40	77.89

(b) Defined contribution plan:

The Group makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Group recognised ₹18.24 million (31 March 2022 ₹16.59 million) towards towards defined contribution plan.

41. Segment information

The Group is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive,consumer durables and consumer appliance industry such as automotive dials, overlays, badges and logos, spare parts, assemblies, accessories of plastic and other material. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as one component. Further, the economic environment in which the Group operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Group's revenue from external customers and non - current assets of its single reportable segment by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from external customers		
India	4,011.85	3,230.48
Rest of the world	318.64	468.08
Total	**4,330.49**	**3,698.56**

Non current assets

All non – current assets other than financial instruments of the Group are located in India.

B Major customer

Following is the breakup of customer individually accounted for more than 10% of the revenue from external customers during the year ended 31 March 2023 and 31 March 2022.

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Customer A	826.87	678.80
Customer B	627.70	450.26
Total	**1,454.57**	**1,129.06**

42. Business combinations

a) The Company had entered into a Settlement and Termination agreement ('Agreement') dated 18 April 2018, and acquired the business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') effective 1 May 2018 ('Acquisition date'). The Selling parties were earlier acting as sole selling agents of the Company and were providing end-to-end customer relationship and marketing services to the Company. The acquisition was made to gain the synergies of the business and the customers developed by the Selling parties and hence the management concluded this transaction to be a business combination as per Ind AS 103. Pursuant to this Agreement, the Company has acquired the business of the Selling parties for a total cash consideration of ₹100.00 million to be paid over a period of 2 years in 24 equal instalment effective 01 October 2018.

The Company had conducted the fair valuation of the business on the date of acquisition and accordingly had recognised the following assets and liabilities at the Acquisition date:

(₹ in million)

Particulars	Amount
Intangible assets	
Customer relationships	37.56
Non-compete	12.20
Total fair value of net assets acquired (A)	**49.76**
Fair value of purchase consideration (B)	**89.27**
Goodwill arising on acquisition (C) = (B-A)	**39.51**

The aforesaid goodwill is not deductible under Income Tax Act, 1961.

Impairment testing of Goodwill generated from business combination

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition.The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

A cash-generating unit is the smallest identifiable Company of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Acquired business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises has been merged with the Group and the management considered these acquired business with the Company as single cash-generating unit.

The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less costs of disposal and its value in use. The Group is expected to benefit from the synergies of the business acquisition and the Company is considered as a single CGU. The fair value of a CGU is determined based on the market capitalization of the Company.

As of 31 March 2023 and 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount, hence no impairment is triggered.

Notes to the consolidated financial statements

b) The Company had entered into an agreement dated 11 March 2021 as amended on 01 April 2021, with Exotech Plastics Private Limited ("Exotech") and existing shareholders of Exotech to acquire the entire equity shares in Exotech. Exotech is engaged in the business of manufacturing and supply of automobile components and other components. The Company has paid ₹640.00 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Company. The acquisition was made to enhance the Company's product portfolio, manufacturing capabilities, customer base and cross selling opportunities.

The Company has conducted the fair valuation of the business on the date of acquisition and accordingly have recognised the following assets and liabilities at the acquisition date. The acquisition date was 5 April 2021.

(₹ in million)

Particulars	Amount
Property, plant and equipment	161.81
Right-of-use assets	127.06
Intangible assets	0.02
Intangible assets recognised upon acquisition	
Customer relationship	39.00
Non-compete	13.00
Other non-current financial assets	9.89
Income tax assets (net)	0.42
Deferred tax assets (net)	6.54
Other Non-current assets	1.26
Current assets	
Inventories	112.50
Trade receivables	225.16
Cash and cash equivalents	111.23
Bank balance other than cash and cash equivalents	13.60
Loans	0.55
Other current financial assets	0.36
Other assets	30.53
Total Assets (A)	**852.93**
Non-current liabilities	
Borrowings	(13.61)
Lease liabilities	(151.32)
Deferred tax on Intangibles arising on acquisition	(14.47)
Current liabilities	
Borrowings	(35.77)
Lease liabilities	(27.76)
Trade payables	(148.61)
Other financial liabilities	(11.19)
Income tax liability	(8.11)
Other current liabilities	(46.01)
Current provisions	(5.88)
Total Liabilities (B)	**(462.73)**
Total fair value of net assets acquired (C) = (A-B)	**390.20**
Goodwill arising on acquisition	
Purchase consideration transferred (D)	640.00
Total fair value of net assets acquired (E)	(390.20)
Goodwill (F) = (D-E)	**249.80**

The aforesaid goodwill is not deductible under Income Tax Act, 1961. The goodwill on acquisition can be attributable to the expected synergies of operations, cross selling opportunities and future revenue.

Impairment testing of Goodwill generated from business combination

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Exotech Plastics Private Limited, a subsidiary of the Company, is operating independently and generating cash flows depending on its own assets or group of assets. Hence, management considered its a separate cash-generating unit.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization of the Group.

Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Growth rate (%)	10%	7-9%
Operating margin (%)	16.00%-17.40%	13.70%-14.00%
Terminal growth (%)	5%	5%
Discount rate (%)	14.80%	13.20%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. As at 31 March 2023 and 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

c) During the year 31 March, 2023, the Group has entered into into a Power Supply and Offtake Agreement ("PSOA") and Share Subscription and Shareholders' Agreement ("SSSHA") with Suryaurja Two Private Limited (''STPL"), and acquired 6,00,000 Equity Shares of STPL for a consideration of ₹6 million which has made the group owner of 48% of the equity interest in STPL. STPL is engaged in the business of power generation from renewable sources for captive consumption. The investment is made in order to qualify as a captive consumer in accordance with The Electricity Act, 2003.

The following table analyses, in aggregate, the carrying amount and share of profit and OCI of the associate:

(₹ in million)

Particulars	31 March 2023
Carrying amount of interest in associate	6.00
Share of:	
- (Loss)/Profit from continuing operations	-
- OCI	-
	6.00

Notes to the consolidated financial statements

43. Financial ratios

Particulars	Numerator	Denominator	For the year ended 31 March 2023	For the year ended 31 March 2022	Variance (%)
Current ratio (in times)	Total current assets	Total current liabilities	3.43	3.27	4.76%
Debt – equity ratio (in times)	Debt, consisting of borrowing and lease liabilities	Total equity	0.07	0.08	-11.30%
Debt service coverage ratio (in times)*	Earnings available for debt service	Debt service	31.93	14.54	119.62%
Return on Equity (in %)	Net Profits for the year – Preference Dividend (if any)	Average total equity	15.65%	15.26%	0.39%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	4.15	3.83	8.42%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.91	4.31	13.98%
Trade payables turnover ratio (in times)	Net credit purchases	Average Trade Payables	5.28	5.07	4.14%
Net capital turnover ratio (in times)	Revenue from operations	Working capital	1.94	2.23	-13.15%
Net profit ratio (in %)	Net profit for the year	Revenue from operations	15.53%	14.88%	0.65%
Return on capital employed (in %)	Profit before finance cost and taxes	Capital employed	19.93%	19.24%	0.69%
Return on investment (in %)	Realised and unrealised gain on investment	Average invested funds	5.22%	1.16%	4.06%

Note:

Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Finance cost + other non cash adjustments

Debt service = Interest and Lease Payments + Principal repayments

Working capital = Total current assets minus total current liabilities

Capital Employed = Tangible net worth + Lease liability + Deferred tax liability

*Variation is mainly due to decrease in lease liability on account of modification of lease contract

44. 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the consolidated financial statements

45. Other statutory

i) The Group does not have any Benami property or any proceeding is pending against the Group for holding any Benami property.

ii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

iv) The Group is not classified as wilful defaulter.

v) The Group doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

vi) The Group did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

vii) The Group does not have any investment property during the financial year.

viii) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act,2013), during the financial year which are repayable on demand or without specifying any terms or period of repayment.

46. Events after reporting period

Subsequent to the year end, the Group has entered into a share purchase agreement to acquire 90.1% stake in Walter Pack Automotive Products India (''WPAPI") for a consideration of 2,393 million. The acquired Company is in the business of design and development of high value-added functional decorative parts in the Indian market. The Group will account for this business combination with Ind AS 103 in its standalone financial statement for the year ended 31 March 2024.

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the consolidated financial statements for the year ended 31 March 2023 other than stated above.

Notes to the consolidated financial statements

47. Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements for the year ended 31 March, 2023

(₹ in million)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Comprehensive (expense) / income		Share in total comprehensive (expense)/ income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated comprehensive (expense) / income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
S.J.S. Enterprises Limited (formerly known as S.J.S. Enterprises Private Limited)	97.31%	4,181.35	87.41%	587.86	119.20%	(6.83)	87.14%	581.03
Subsidiary								
Exotech Plastics Private Limited	11.24%	482.95	13.78%	92.69	-19.20%	1.10	14.07%	93.79
Consolidation adjustments	-8.55%	(367.91)	-1.19%	(8.02)	-	-	-1.20%	(8.02)
Total	**100.00%**	**4,296.39**	**100.00%**	**672.53**	**100.00%**	**(5.73)**	**100.00%**	**666.80**

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 15 May 2023

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 15 May 2023

Sanjay Thapar
CEO and Executive Director
DIN: 01029851

Place: Bengaluru
Date: 15 May 2023

Mahendra Kumar Naredi
Chief Financial Officer
PAN: AEWPN9414M

Place: Bengaluru
Date: 15 May 2023

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 15 May 2023

Notice of Eighteenth Annual General Meeting

NOTICE is hereby given that the Eighteenth ("**18th**") Annual General Meeting ("**AGM**") of the Shareholders/Members of **S.J.S. Enterprises Limited** [Formerly known as S.J.S. Enterprises Private Limited] ("Company") will be held on Monday, 04 September 2023 at 03.30 p.m. through Video Conferencing (''VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses.

ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31 March 2023 together with the reports of the Board of Directors and Auditors thereon:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31 March 2023 including Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the year ended as on that date together with the notes forming part of accounts as audited and reported by the Auditors of the Company and the Directors' Report, as circulated to the Shareholders/ Members be and are hereby approved and adopted."

2. **Re-appointment of Mr. Vishal Sharma (DIN: 01599024), who retires by rotation and being eligible, offers himself for re-appointment:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vishal Sharma, Director (DIN: 01599024) of the Company, who retires by rotation at the 18th AGM 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."

SPECIAL BUSINESS:

3. **Ratification of Cost Auditor's Remuneration:**
   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of Audit Committee and approval of the Board, the remuneration payable to M/s PSV & Associates, Bengaluru, Cost Accountants, (Firm Registration Number 000304), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2024, amounting to ₹4,00,000/- (Rupees Four Lakhs Only) exclusive of Goods and Services Tax & Re-imbursement of out-of-pocket expenses in connection with the aforesaid audit, be and is hereby ratified."

4. **To increase overall managerial remuneration payable from 11% to 15% of the net profits of the Company:**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Section 197 of the Companies Act, 2013, (the Act) read with Schedule V of the Act and other applicable provisions, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of the Company made in its respective meetings held on 26 July 2023, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable for the financial year 2023-24, from 11% to 15% of the net profits of the Company computed in the manner laid down in Section 198 of the Act.

   RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution."

5. **To increase managerial remuneration payable to Mr. Sanjay Thapar, CEO & Executive Director (DIN: 01029851) in excess of 5% of the net profits of the Company:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** further to a resolution passed by the Members at the 16th Annual General Meeting of the Company held on 22 July 2021 for remuneration payable to Mr. Sanjay Thapar, CEO & Executive Director (DIN : 01029851) and subject to the approval of resolution by the Members for increasing overall managerial remuneration, from 11% to 15% of the net profits of the Company, being duly passed and becoming effective as set out at item no. 4 of this Notice convening the 18th Annual General Meeting and pursuant to Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) read with Schedule V of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors in the respective meetings held on 26 July 2023 and considering the contributions made and quality of services rendered by Mr. Sanjay Thapar, CEO & Executive Director (DIN: 01029851), in the growth trajectory of the Company, approval of the Members of the Company, be and is hereby accorded for payment of remuneration to Mr. Sanjay Thapar, in excess of 5% of the net profits of the Company computed in accordance with Section 198 of the Act for the period of three financial years commencing from 1 April 2023.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By Order of the Board
For **S.J.S. Enterprises Limited**

Thabraz Hushain. W
Company Secretary &
Compliance Officer
Membership No.: A51119

Place: Bengaluru
Date: 01 August 2023

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the special businesses are annexed herewith and forms part of this Notice.

2. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their Shareholders/ Members electronically.

3. In accordance with the provisions of the Act and Ministry of Corporate Affair's General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020 and General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No.20/ 2021 dated December 08, 2021 and General Circular No. 11/2022 dated December 28, 2022 ("MCA Circulars") and the Securities and Exchange Board of India Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 ("SEBI Circulars"), it is permitted to hold General Meetings through VC/OAVM, without the physical presence of the Shareholders/Members at a common venue. In compliance with the provisions of the Companies Act, 2013, MCA Circulars and SEBI Circulars, the 18th AGM of the Company is being held through VC/ OAVM (Please see instructions/ guidelines below).

4. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Shareholders/Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited ("LIIPL") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a Shareholders/ Members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by LIIPL.

5. The Shareholders/Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to Shareholders/Members on first-come-first-serve basis.

   This will not include large Shareholders/Members (Shareholders/Members 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 AGM without restriction on account of first-come-first-serve basis.

6. Shareholders/Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The instructions for remote e-voting by Shareholders/ Members holding shares in dematerialized mode and for Shareholders/Members who have not registered their email address is provided in the e-voting section, which forms part of this Notice. The attendance of the Shareholders/Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. A Shareholders/Members entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a Shareholders/Members. Since the AGM is being held through VC/OAVM, physical attendance of Shareholders/ Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders/ Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes.

8. Institutional/Corporate Shareholders/Members are required to send a scanned copy (in PDF/JPG format) of certified true copy of the Board resolution/authorization letter authorising their representative to vote through remote e-voting and attend the AGM through VC/OAVM. The said certified true copy of the Board resolution/ authorization letter should be sent to the Scrutinizer by email through their respective registered email addresses to the Scrutinizer at ananta.deshpande@csdco.in with a copy marked to compliance@sjsindia.com and enotices@linkintime.co.in.

9. In line with the MCA Circular No. 17/2020 dated 13 April 2020, the Notice calling the AGM has been uploaded

on the website of the Company at www.sjsindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of LIIPL at https://instavote.linkintime.co.in.

10. In compliance with the aforesaid MCA Circulars, Notice of the AGM and Annual Report as well as the weblink for joining the meeting is being sent only through electronic mode to those Shareholders/Members whose email addresses are registered with the Company.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013 and a Certificate from the Secretarial Auditor of the Company as required under Regulation 13 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 regarding compliance with the same will be available electronically for inspection by the Shareholders/Members, without any fee, from the date of circulation of this Notice up to the date of AGM. The Shareholders/Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at compliance@sjsindia.com.

12. Pursuant to Section 152 of the Companies Act, 2013, Mr. Vishal Sharma (DIN: 01599024), retires by rotation at this AGM and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Details of the Director proposed to be re-appointed as required in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS - 2) issued by The Institute of Company Secretaries of India, is provided as "**Annexure - A**".

13. Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company have appointed Mr. Ananta R Deshpande (Membership No. FCS 11869; CP No. 20322), Practicing Company Secretary as Scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.

14. Process for registration of e-mail ID for obtaining Annual Report in electronic mode and User ID / password for E-voting is annexed to this Notice.

15. All documents referred to in the Notice will be open for inspection through electronic mode. Shareholders/Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at compliance@sjsindia.com.

16. Shareholders/Members holding shares as on cut-off date, i.e., Monday, 28 August 2023, may cast their votes electronically. A Shareholder/Member will not be allowed to vote again on any resolution on which his/her vote has already been cast. The voting rights of Shareholders/Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Shareholder/Member as on the cut-off date is requested to treat this Notice for information purposes only.

17. Shareholders/Members who have acquired shares after the dispatch of this Notice and before the cut-off date may approach the Company/ LIIPL for issuance of User ID and Password for exercising their votes by electronic means.

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

VOTING RESULTS:

1. The Scrutinizer shall, after the conclusion of the AGM, electronically submit the Consolidated Scrutinizer's Report (i.e. votes cast through Remote e-voting and e-voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the AGM or to any other person authorised by the Chairman of the Company.

2. Based on the Scrutinizer's Report, the result will be declared within two working days of the conclusion of the AGM and the details of result along with Scrutinizer's Report will be placed on the website of the Company at www.sjsindia.com and on the website of LIIPL at https://instavote.linkintime.co.in and the same will also be communicated to BSE and NSE.

THE INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company provides to Shareholders/Members the facility of exercising their right to cast vote(s) at the AGM by

electronic means and the businesses may be transacted through e-voting services.

2. The voting period begins on Friday, 01 September 2023 at 9.00 am IST and ends on Sunday, 03 September 2023 at 5.00 pm IST. During this period, Shareholders/ Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 28 September 2023 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

3. The facility for electronic voting system, shall also be made available at the AGM. The Shareholders/Members attending the AGM, who have not cast their votes through remote e-voting and are otherwise not barred from doing so, shall be able to exercise their voting rights at the AGM. The Shareholders/Members who have already casted their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

4. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its Shareholders/Members, in respect of all Shareholders'/ Members' resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/Members, retail Shareholders/ Members is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders/Members. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

5. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020, on e-Voting facility provided by Listed Companies, Individual Shareholders/Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders/Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

   Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual Shareholders/Members holding securities in Demat mode is given below:

   Shareholders/Members will be able to attend the AGM through VC/OAVM through InstaMeet provided by LIIPL.

A. REMOTE E-VOTING INSTRUCTIONS:

The instructions and other information relating to remote e-voting are as under:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	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. 2. 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 name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period. 3. 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/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, 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. 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a 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. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode	Individual Shareholders/Members of the company, holding shares in physical form / Non-Individual Shareholders/Members holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under: 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. 2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: **A. User ID:** Shareholders/Members holding shares in **physical form shall provide** Event No. + Folio Number registered with the Company. Shareholders/Members holding shares in **NSDL demat account shall provide** 8 Character DP ID followed by 8 Digit Client ID; Shareholders/Members holding shares in **CDSL demat account shall provide** 16 Digit Beneficiary ID. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) Shareholders/Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format). **D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. **Shareholders/Members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above* **Shareholders/Members holding shares in NSDL form, shall provide 'D' above.* • Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). • Click "confirm" (Your password is now generated). 3. Click on 'Login' under **'SHARE HOLDER'** tab. 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.** **Cast your vote electronically:** 1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.** 2. E-voting page will appear. 3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link). 4. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on **'No'** and accordingly modify your vote.

Guidelines for Institutional Shareholders/Members:
Institutional Shareholders/Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders/Members holding securities in physical mode/ Institutional Shareholders/ Members:
Shareholders/Members facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on:- Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders/Members holding securities in demat mode:
Individual Shareholders/Members holding securities in demat mode may contact the respective helpdesk 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	Shareholders/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	Shareholders/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 22- 23058542-43.

Individual Shareholders/Members holding securities in Physical mode has forgotten the password:
If an Individual Shareholders/Members holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the Shareholders/Members can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case a Shareholders/Members is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders/Members can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders/Members holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. + Folio Number registered with the Company.

Individual Shareholders/Members holding securities in demat mode with NSDL/ CDSL has forgotten the password:
Shareholders/Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders/Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, Shareholders/Members can login any number of times till they have voted on the resolution(s) for a particular "Event".

B. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING ("AGM") THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in.
2. Select the "Company" and "Event Date" and register with your following details:-

Demat Account No. or Folio No.	• Shareholders/Members holding shares in CDSL: 16 Digit Beneficiary ID; • Shareholders/Members holding shares in NSDL: 8 Character DP ID followed by 8 Digit Client ID; and • Shareholders/Members holding shares in physical form: Folio Number registered with the Company
PAN	• Enter your 10-digit Permanent Account Number (PAN) • Shareholders/Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
Mobile No. and Email ID	• Enter your mobile number • Enter your e-mail ID, as recorded with your DP/ Company.

3. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).
4. Please refer the instructions for the software requirements given in point 'E' below and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

C. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE AGM THROUGH INSTAMEET:

1. Shareholders/Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request atleast 3 days before the AGM mentioning their name, demat account number/folio number, e-mail ID, mobile number at compliance@sjsindia.com.
2. Shareholders/Members will get confirmation on first-come-first-serve basis depending on the availability of time at the AGM.
3. Shareholders/Members will receive "speaking serial number" once they mark attendance for the meeting.
4. Shareholders/Members are requested to remember speaking serial number and start your conversation only when moderator of the meeting/ management will announce the name and serial number for speaking.
5. The Shareholders/Members who do not wish to speak during the AGM but have queries may send their queries in advance 3 (three) days prior to the AGM mentioning their name, demat account number/folio number, e-mail ID, mobile number at compliance@sjsindia.com. The Company will give response to the queries suitably by email.

   Shareholders/Members may note that the Company reserves the right to restrict the number of questions and number of speakers during the AGM, depending upon availability of time and for conducting the proceedings of the meeting smoothly. However, the Company will suitably respond to the questions which have remained unanswered during the meeting, over email.

D. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE AGM THROUGH INSTAMEET:

1. Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, Shareholders/Members who have not exercised their vote through the remote e-Voting can cast the vote as under:

Sr. no.	Steps
1.	On the Shareholders/Members VC page, click on the link for e-Voting "Cast your vote"
2.	Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3.	After successful login, you will see "Resolution Description" and against the same the option "Favour / Against" for voting

Sr. no.	Steps
4.	Cast your vote by selecting appropriate option i.e. "Favour / Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under "Favour/ Against".
5.	After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the AGM through InstaMeet 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 facility during the meeting. Shareholders/Members who have voted through Remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

2. Shareholders/Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

3. Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

4. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

5. In case Shareholders/Members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: 022-49186175.

E. INSTRUCTIONS FOR THE SOFTWARE REQUIREMENTS AND OTHER GENERAL INSTRUCTIONS:

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

1. Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/

   OR

2. If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:
   - Enter your First Name, Last Name and Email ID and click on Join Now.
   - If you have already installed the Webex application on your device, join the meeting by clicking on Join Now.
   - If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
   - Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

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

Shareholders/Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form. The email addresses can be registered with the Depository Participant ("DP") in case the shares are held in electronic form and with the Registrar and Transfer Agent of the Company ("RTA") in case the shares are held in physical form.

For any assistance regarding share transfers, transmissions, change of address or bank mandates, duplicate / missing share certificates and other related matters, the RTA of the Company may be contacted at the following address:

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Tel.: 022 - 4918 6270/ 4918 6200 / 1800 1020 878
Fax: 022 - 4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE 18TH AGM OF THE COMPANY IN RESPECT OF ITEM NO. 3,4 &5 OF THE SAID NOTICE:

ITEM NO.3

Ratification of Cost Auditor's Remuneration:

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 provides for:

- appointment of a Cost Accountant in Practice, to conduct audit of cost records of a Company, by the Board of Directors on the recommendation of Audit Committee; and
- ratification of remuneration payable to him by the Shareholders/Members of the Company.

In terms of the aforesaid provisions, the Board of Directors of the Company at its meeting held on 15 May 2023 and based on the recommendation of Audit Committee has approved the appointment of M/s. PSV & Associates, Bengaluru, Cost Accountants (Registration Number: 000304), to conduct the audit of the cost records of the Company for the financial year ending 31 March 2024. The remuneration fixed for their appointment is ₹4,00,000/- (Rupees Four Lakh only) plus applicable Goods and Services Tax (GST) and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders/ Members of the Company.

Accordingly, consent of the Shareholders/Members is sought to ratify the remuneration payable to the Cost Auditors for the financial year ending 31 March 2024.

The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of the Shareholders/Members.

Interest of directors & key managerial personnel:

None of the Directors or key managerial personnel of the Company or their relatives is/ are directly or indirectly concerned or interested, financially or otherwise, in this resolution.

ITEM NO.4 & 5

Increase overall managerial remuneration payable from 11% to 15% of the net profits of the Company and increase managerial remuneration payable to Mr. Sanjay Thapar, CEO & Executive Director (DIN: 01029851) in excess of 5% of the net profits of the Company:

As per the relevant provisions of the Companies Act, 2013, we are seeking the approval of the members through a special resolution to authorize the payment of remuneration to Mr. Sanjay Thapar, CEO & Executive Director, exceeding the prescribed limit of 5% of the Company's net profit for the period of three financial years commencing from 1 April 2023. Additionally, in line with the applicable provisions of the Companies Act, 2013, We also seeking the approval of the members, by way of ordinary resolution, to increase the limit for the total managerial remuneration payable to the Company's Directors, including the Managing Director, for the financial year 2023-24 from the current 11% to 15% of the net profit of the Company.

In the 16th Annual General Meeting of the Company held on 22 July 2021, members of the Company, previously approved the remuneration and granted 4,50,000 stock options to Mr. Sanjay Thapar, further based on the recommendation of Nomination and Remuneration Committee, the Board of the Company granted an additional 2,00,000 stock options to Mr. Sanjay Thapar during their respective meeting held on 26 July 2023.

The members of the Company are hereby informed that, consequent to Mr. Sanjay Thapar exercising stock options as and when they vest, along with un-exercised stock options granted to him under the S.J.S. Enterprises – Employee Stock Option Plan - 2021, his remuneration shall exceed the prescribed limit of 5% of net profit of the Company as specified under Section 197 of the Companies Act, 2013, eventually, the overall managerial remuneration payable to all directors shall also exceed the prescribed limit of 11% of net profit of the Company as specified under Section 197 of the Companies Act, 2013. Therefore, the approval of the members of the Company is sought for payment of managerial remuneration exceeding the prescribed limit as stated in the resolution no. 4 and 5.

Interest of directors & key managerial personnel:

Your directors recommend the Ordinary and Special Resolutions at item no's 4 and 5 of the Notice of the AGM respectively to the members for their approval. Except Mr. Sanjay Thapar, CEO & Executive Director, and his relatives, no other Director and Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise, in the resolutions set out at item nos. 4 and 5 of the accompanying notice.

By Order of the Board
For **S.J.S. Enterprises Limited**

Thabraz Hushain. W
Company Secretary &
Compliance Officer
Membership No.: A51119

Place: Bengaluru
Date: 01 August 2023

Annexure-A

Details of Directors seeking appointment/re-appointment at the 18th Annual General Meeting to be held on 04 September 2023

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2)]

Agenda Item No.	2
Name of the Director	Vishal Sharma
Category	Non-Executive Director
Director Identification Number (DIN)	01599024
Date of Birth and Age	30/03/1978 & 45 years
Nationality	Indian
Residential Address (along with Phone, Fax and Email)	A-148, Ground Floor, M2k Aura, Near Mayfield Gardens Sector-47, Gurugram 122018 HR IN
Educational/ Professional Qualifications	Bachelor's degree in textile technology from the Indian Institute of Technology, Delhi and a post graduate programme in management from the Indian School of Business, Hyderabad
Expertise in specific functional area	He is currently the managing director – investments and operations with Everstone Capital Advisors Private Limited. He has previously worked with Sapient Corporation (now known as Publicis Sapient) (a division of TLG India Private Limited) and Boston Consulting Group (India) Private Limited
First appointment on the Board of the Company	28 April 2016
Date of appointment in current designation	16 September 2016
Terms and Conditions of Appointment	Liable to retire by rotation
Remuneration details	Nil
Number of shares held in the Company (including shareholding as a beneficial owner) as on: a) 31 March 2023 b) 31 July 2023	Nil
Relationship with other Directors/Manager/ Key Managerial Personnel	Nil
Number of Board Meetings attended during the Financial Year 2021-22 Financial Year 2022-23	 I. 13 out of 13 II. 5 out of 5

Directorships held in other Companies in India	• Translumina Therapeutics LLP • S.J.S. Enterprises Limited • Calibre Chemicals Private Limited • Softgel Healthcare Private Limited • Exotech Plastics Private Limited • Transvalve Health Private Limited • Transhealth Private Limited • Interarch Building Products Private Limited • Integris Health Private Limited
Directorships held in other Listed Companies in India	Nil
Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Nil
Chairmanships/Memberships of the Committees of other Listed and public limited companies as on 31 March 2023:	
a. Audit Committee	Member
b. Stakeholders' Relationship Committee	NA
c. Nomination and Remuneration Committee	Member
d. CSR Committee	Member
e. Other Committee(s)	Member in Risk Management Committee
Brief Resume of Director	He holds a bachelor's degree in textile technology from the Indian Institute of Technology, Delhi and a post graduate programme in management from the Indian School of Business, Hyderabad. He is currently the managing director – investments and operations with Everstone Capital Advisors Private Limited. He has previously worked with Sapient Corporation (now known as Publicis Sapient) (a division of TLG India Private Limited) and Boston Consulting Group (India) Private Limited.
Listed entities from which the person has resigned in the past three years	Nil

S.J.S. Enterprises Limited
Sy. Nos. – 28/P16 Agra Village & 85/P6 BM
Kaval Village, Kengeri Hobli,
Bengaluru South 560082,
Karnataka, India.

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